



**DEPARTMENT OF DINÉ EDUCATION
THE NAVAJO NATION**

P.O. Box 670 · Window Rock, Arizona 86515
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Jonathan Nez
President

Myron Lizer
Vice-President

NNBEJY-733-2021

**RESOLUTION OF THE
NAVAJO NATION BOARD OF EDUCATION**

Relating to Education; Approving the Reauthorization of the Rough Rock Community School, Inc. for the Operation of Education, Education-Related, and Residential Programs, Pursuant to Public Law 100-297, for the Period of One (1) Year, Beginning July 1, 2021 and Ending on June 30, 2022.

WHEREAS:

1. The Department of Diné Education (hereinafter the “Department”) is the administrative agency within the Navajo Nation with responsibility and authority for implementing and enforcing the educational laws of the Navajo Nation. 2 N.N.C. § 1801 (B); 10 N.N.C. § 107 (A). The Department is under the immediate direction of the Board. 10 N.N.C. § 107 (B).
2. The Navajo Nation Board of Education (hereinafter the “Board”) is the education agent in the Executive Branch for the purposes of overseeing the operation of all schools serving the Navajo Nation. 10 N.N.C. § 106 (A). The Board carries out its duties and responsibilities through the Department of Diné Education. 10 N.N.C. §106 (G)(3). In addition, “the Board [has the] general power to monitor the activities of all Bureau of Indian Affairs funded schools and local community school boards serving the Navajo Nation...” 10 N.N.C. § 106 (G)(1).
3. On May 16, 2012, the Health, Education and Human Services Committee of the Navajo Nation Council enacted **HEHSCMY-012-12** and the “Administrative Rules and Regulations,” that delegated the Navajo Nation Board of Education with the authority to approve P.L. 100-297 and P.L. 93-638 contract reauthorizations. **HEHSCMY-012-12** sets forth the parameters and conditions for reauthorization of schools.
4. In accord with **HEHSCMY-012-12**, the Board reviews and recommends the reauthorization of Public Law 93-638 Indian Self-Determination and Education Assistance Act contract and Public Law 100-297 grant schools and residential programs under the Tribally Controlled Schools Act for the operation of education and education-related programs and/or residential programs in accord with the contract application for a certain number of years and bases and formulates its recommendations upon the testimony, reports, and supporting information provided by the **Rough Rock Community**

NAVAJO NATION BOARD OF EDUCATION

*Priscilla B. Manuelito, **President** · Spencer W. Willie, **Vice President** · Dr. Victoria Yazzie, **Secretary**
Member: Sharon A. Toadecheenie · Marlene Burbank · Dr. Henry Fowler · Andrea K. Thomas
Freda Nells · Joan A. Gray · Emerson John · Dr. Pauletta White
Patricia Gonnig, Acting Superintendent of Schools*

School, Inc., and the monitoring reports and recommendations provided by the Department of Diné Education.

5. The Board finds that the **Rough Rock Community School, Inc.** has submitted a reauthorization application that complies with the requirements of the Grant/Contract Conversion/Maintenance Handbook (**ECF-12-01**) and **HEHSCMY-012-12**. **Rough Rock Community School, Inc.**'s application is attached hereto as "**EXHIBIT A.**"
6. According to audit reports and testimony provided by the Office of Diné Accountability & Compliance (ODAC) attached hereto as "**EXHIBIT A-1,**" the **Rough Rock Community School, Inc.** is non-compliant with the financial and audit requirements contained in **HEHSCMY-012-12**, warranting "one-year or less reauthorization." The Rough Rock Community School Inc. 2020 Audit was "Unmodified" in both their Financial Statements and Federal Awards sections, however significant deficiency(ies)" and material weakness(es) were both identified in their Financial Statements and Federal Awards sections. The school's 2019 audit was "Qualified" and contained material weaknesses in both the financial statements and federal award sections.
7. The **Rough Rock Community School's** academic progress report is provided and attached hereto as "**EXHIBIT A-2,**" in addition to other documents provided by the Office of Education Research & Statistics ("OERS") and Office of Diné School Improvement ("ODSI").
8. The Board finds that the **Rough Rock Community School, Inc.** has not complied with the Navajo language and culture instructional requirements, incorporation of the Diné Content Standards, and addressed other findings as reported by the Office of Standards, Curriculum, and Assessment Development ("OSCAD"), attached hereto as "**EXHIBIT A-3.**" The School was rated as "Emerging/Apprentice." The school did not administer the Diné Language Proficiency Assessment ("DLPA") and "has no records of a school Dine Language/Culture program for the SY 2019-2020."
9. According to reports provided by AdvancED, the **Rough Rock Community School, Inc.** was rated as "Accredited," which is attached hereto as "**EXHIBIT A-4.**"

NOW THEREFORE BE IT RESOLVED THAT:

1. The Navajo Nation Board of Education approves the reauthorization of the grant of the **Rough Rock Community School, Inc.** to operate education, education-related, and residential programs for one (1) year beginning July 1, 2021 and ending on June 30, 2022.
2. The **Rough Rock Community School, Inc.** shall provide a satisfactory report and corrective action plan to the Board, through the Department, regarding an action plan to address and resolve the Diné Language and Culture findings, including provision of DLPA data as identified in "**EXHIBIT A-3.**" The **Rough Rock Community School, Inc.** shall enhance the learning of Diné Language and

Culture, develop and implement a strong Diné Language/Culture program for the students, including updating the school's Diné language and culture curriculum and incorporation of the Navajo Nation's Five (5) Content Standards (Diné Language, Culture, Government, History, and Character), and provide Diné Language assessment data to the Department.

3. The Navajo Nation Board of Education hereby conditions its sanctions, approval, and reauthorization upon the standard conditions, attached hereto as **"EXHIBIT B,"** which the Navajo Nation places upon Navajo Nation tribal organizations which are authorized to operate BIA-funded education and education-related programs.
4. To the extent permitted by Navajo Nation law, the Navajo Nation further conditions approval of this reauthorization application based on the school's compliance with additional conditions, attached hereto as **EXHIBIT C.**
5. The Navajo Nation Board of Education hereby recommends and empowers the Superintendent of Schools to take any actions deemed necessary and proper to carry out the purposes of this resolution and directive.

CERTIFICATION

I hereby certify that the foregoing resolution was duly considered by the Board of Education of the Navajo Nation at a duly called meeting at Window Rock, Arizona (Navajo Nation) at which a quorum was present, motioned Spencer Willie and seconded by Marlene Burbank and that the same was passed by a vote of 9 in favor; 0 opposed; 0 abstained, this 30th day of July 2021.



Priscilla B. Manuelito, President
Navajo Nation Board of Education

D. Information on the geographic and demographic factors in the affected areas.

The application package includes the geographic and demographic factors, as they comply with Navajo Nation Policies and Procedures for Waiver of School Attendance Boundaries for Navajo Nation Bureau of Indian Affairs-Funded Schools Commencing in School Year 2000 (Resolution # ECN-112-00).

E. A narrative description identifying each of the programs to be offered by the school board and a description of an implementation plan for each program.

Included in the packet, Rough Rock Community School's Educational Program Summaries that include:

- FACE (Family and Child Education) Program / Adult Education
- K – 8 School
- High School
- Special Education
- Gifted and Talented (K-8)
- Residential Program
- Horsemanship
- APEX
- Kindergarten Instructional Program
- Elementary Instructional Program (1st-6th grade)
- Junior High / Middle School Instructional Program
- Secondary (High School) Instructional Program
- Student Activities Description
- School Year 2020-2021 School Reopening Plan
- Diné Culture & Language Narrative
- 2020 Kindergarten Transition Plan
- Parent/Family School Compact
- NWEA Assessment Schedule
- Safety Prevention and Preparedness
- Residential
- Home Living Student Policies and Procedures (SY 2020-2021)
- Athletic Department
- Food Service
- Transportation

F. If not adopted, an affirmative statement that the Navajo Nation North Central Association (NN/NCA) Academic Standards will be adopted, and that NN/NCA Certification will be acquired within one year.

The application package includes a copy of their certificate, certifying that Rough Rock Community School having met the criteria for educational quality established by the Cognia Global Commission and is hereby presented this Certificate of Accreditation by the North Central Association Commission on Accreditation and School Improvement, and the Northwest Accreditation Commission, and the Southern Association of Colleges and Schools Council on Accreditation and School Improvement – valid through 06/30/2023.

- G. Statement certified by the school board if applicable, that the Residential Standards will be in conformance with 25 CFR Part 36 Subpart H. School boards shall report to OIEP with respect to instances of non-compliance with space and privacy requirements due to inadequate facilities.**

The application package includes required signed certification from all *three (3) school board members, as they will be in compliance.

- H. A specific point by point description of how the school board will handle the Requirements of:**

- 1) Accounting and Management of equipment of the school and future equipment acquisitions.**

The accounting and management of equipment of the school and future equipment acquisitions are addressed in Rough Rock Community School, Inc. Business Policies and Procedures Manual; board approved on July 22, 2021.

- 2) A bookkeeping and accounting procedure system**

The bookkeeping and accounting procedure system are addressed in the Rough Rock Community School, Inc. Business Policies and Procedures Manual; board approved on July 22, 2021.

- 3) Recruitment and retention of adequately trained personnel**

The recruitment and retention of adequately trained personnel are addressed in the Rough Rock Community School, Inc. Personnel Policies and Procedures Manual; board approved on July 22, 2021.

- 4) Personnel policies and procedures**

Included in the application package is the Rough Rock Community School, Inc. Personnel Policies and Procedures Manual; board approved on July 22, 2021.

- 5) Financial policies and procedures**

Included in the application package is the Rough Rock Community School, Inc. Business Policies and Procedures Manual; board approved on July 22, 2021.

- 6) Risk management programs (Insurance, including but not limited to, general liabilities, property protection, fire, vehicles, etc.)**

The application includes the Rough Rock Community School, Inc. contracts with Native American Grant Schools; Great American Insurance; summit administration Services; and Steadfast Insurance Company (Policy Effective:

07/01/2020 Policy Expiration: 01/01/2021) through The Mahoney Group - Mesa.

7) Consolidated school reform plans

In lieu of the Consolidated school reform plans, the Schoolwide Program Plan (SY20-21); the Comprehensive Support and Improvement Plans School Year 2020-2021; Assessment and SMART Goals (SY 20-21); the School Wide Budget Year 2020-2021; and the proposed continuous School Improvement Plan are included in the application.

Also included in the application packet is the School Year 2019-2020 Comprehensive Support & Improvement Grant Application – Title I School Improvement 1003(a) Grant, as amended by Every Student Succeeds Act, P.L. 114-95 with a justification letter dated June 29, 2021 that they did not complete all of its plans for School 2019-2020 and 2020-2021 and are currently working on their plans.

8) Reporting Requirements (Single Agency Audit Act of 1984 as amended.)

The reporting requirements (Single Agency Audit Act of 1984 as amended) is addressed in the Rough Rock Community School, Inc. Business Policies and Procedures; board approved on July 22, 2021.

9) Implementation and enforcement of the Navajo Nation Ethics in Government Law (2 N.N.C. 6).

The implementation and enforcement of the Navajo Nation Ethics in Government Law (2 N.N.C. 6) is addressed in Rough Rock Community School, Inc. Policies and Procedures Manual; board approved on June 2, 2020 and 16.22 Board Approve March 8, 2021 and on August 4, 2014.

I. Documentation of Incorporation with the Navajo Nation Corporation Commission.

The application package includes a Certificate of Good Standing dated December 31, 2020; Rough Rock Community School, Inc. (File # 100844) was issued and authorized to transact business within the Navajo Nation on May 17, 2004.

Note: The Navajo Nation Business Regulatory Department reported the school is current with its annual reporting requirements – for 2020 and 2019. The school is to submit its 2021 Annual Report to the Navajo Nation Business Regulatory Department no later than September 30, 2021 to continue to be in good standing.

J. A Scope of Work that addresses program implementation and compliance to be utilized as a foundation by an independent auditing firm that will be retained to conduct an annual audit which meets the requirements of the Single Agency Audit Act of 1984 as amended in 1996.

The application package includes a scope of work with HeninfeldMeech for the years ended June 30, 2020, June 30, 2019 and June 30, 2018; and the Single Audit Reporting Package for June 30, 2020; June 30, 2019; and June 30, 2018.

- K. Assurances that all employees will receive a background investigation and that the employees will meet the minimum standards for character and suitability required in 25 CFR Part 63.11. School board members, in compliance with Navajo Law (including Navajo Election Law) and Federal laws, will also receive criminal background investigations. The criminal background check will include federal, state, and tribal convictions or *Nolo Contendere* pleas on child related convictions. No individuals convicted of any child related crimes may serve on the school board.**

The application package includes required signed certification from all *three (3) school board members, as they will be in compliance.

- L. A Certification from each school board member that they have read and understand 25 USC 450d-Criminal Activities Involving Grants, Contracts, etc.; Penalties.**

The application package includes required signed certification from all *three (3) school board members, as they will be in compliance.

- M. Certification from each school board member that they understand that all funds received must be deposited in accounts that are insured by an agency or instrumentality of the United States.**

The application package includes required signed certification from all *three (3) school board members, as they will be in compliance.

- N. Certification from each school board member, the school chief administrative officer, and the fiscal & personnel manager that they have read and understand the Provisions of OMB Circular, A-87 particularly those sections that pertain to allowable and unallowable cost.**

The application package includes required signed certification from all *three (3) school board members; the Executive Director, Human Resource Manager, and the Business Manager, as they will be in compliance.

- O. Certification from each school board member that they have read and understand the “Indian Child Protection and Family Violence Prevention Act of 1990” requiring child abuse reporting procedures plan and background investigation requirement procedures.**

The application package includes required signed certification from all *three (3) school board members, as they will be in compliance.

P. A signed copy of a School Board Code of Ethics from each school board member.

The application package includes required signed certification from all *three (3) school board members, as they will be in compliance.

Q. Certification from each school board member that they have received training in the contents of these requirements.

The application package includes required signed certification from all *three (3) school board members.

Reviewed by:



Lavidia B. Maestas, Sr. Education Specialist
Office of Diné Accountability and Compliance
Department of Diné Education

CONCURRENCE:



Darrick Franklin, Education Program Manager
Office of Diné Accountability and Compliance
Department of Diné Education



DEPARTMENT OF DINÉ EDUCATION
The Navajo Nation
P.O. Box 670 - Window Rock, Arizona 86515
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Jonathan Nez
PRESIDENT

Myron Lizer
VICE PRESIDENT

MEMORANDUM

TO: Navajo Nation Board of Education Members

FROM: 
Darrick Franklin, Education Program Manager
Office of Diné Accountability & Compliance

DATE: April 8, 2021

RE: Reauthorization Audit Report – **Rough Rock Community School Inc.**

The **Rough Rock Community School Inc.** is non-compliant with the financial and audit requirements contained in HEHSCMY-012-12, warranting “**one**-year(s) reauthorization.” The **Rough Rock Community School Inc.** Audit Ending 2020 was “Unmodified” in both their Financial Statements and Federal Awards sections. “Significant Deficiency(ies)” and “Material Weakness(es)” were both identified in their Financial Statements and Federal Awards sections. Eight (8) were identified as repeated findings (**in red**).

Rough Rock Community School Inc. Audit Ending 2019 was both “Qualified” in their Financial Statements and Federal Awards sections. Both Significant deficiency(ies) and Material Weakness(es) were identified in their Financial Statements and Federal Awards sections.

Rough Rock Community School Inc. Audit Ending 2018 was labeled “Disclaimer” in their Financial Statements section and “Qualified” in their Federal Awards section. Material Weakness(es) were identified in both their Financial Statements and Federal Awards sections. NO Significant deficiency(ies) were identified.

A copy of the school’s “Summary of Auditor’s Results” for Audit Ending 2020 is attached.

If you have any questions or concerns please do not hesitate to contact me at (928) 871-7466 or darrickfranklin@nndode.org. Thank you.

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

Summary of Auditor's Results:

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Significant deficiency(ies) identified: Yes
- Material weakness(es) identified: Yes

Noncompliance material to financial statements noted: No

Federal Awards

Internal control over major programs:

- Significant deficiency(ies) identified: Yes
- Material weakness(es) identified: Yes

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with §200.516 of Uniform Guidance: Yes

CFDA Numbers

15.042

15.046

15.047

Name of Federal Program or Cluster

Indian School Equalization Program

Administrative Cost Grants for Indian Schools

Indian Education Facilities, Operation, and Maintenance

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee: No

Findings Related to Financial Statements Reported in Accordance with *Government Auditing Standards*: Yes

Findings and Questioned Costs Related to Federal Awards: Yes

Summary Schedule of Prior Audit Findings required to be reported: Yes

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Finding Number: FS-2020-001

Repeat Finding: Yes. FS-2019-001

Type of Finding: Material Weakness

Description: Internal Controls Over Financial Reporting and Accounting Records

CRITERIA

School management is responsible for establishing and maintaining internal controls over financial reporting, including general ledger controls that are adequate to ensure that a material misstatement would be prevented and/or detected. The School's systems of internal controls must extend beyond the cash basis general ledger and the supporting schedules prepared by the School; rather, it must also include controls over the GAAP basis financial statements.

CONDITION

The School did not have adequate internal controls over financial reporting at the general ledger and financial statement level to ensure that all financial activities were properly processed and recorded.

CAUSE

The School's policies and procedures related to financial reporting were not adequately established or implemented to ensure financial statements activity was accurately recorded.

EFFECT

The School's internal controls over financial reporting at the general ledger and financial statement level were not adequate to ensure that a misstatement would have been prevented and/or detected. Audit adjustments were necessary to correctly present the financial statements.

CONTEXT

The sample was not intended to be, and was not, a statistically valid sample.

During our review of the School's accounting records and controls, we noted the following:

- Several outstanding checks, amounting to \$5,290, listed on the payroll account reconciliation were older than one year.
- \$97,551 of expense was incorrectly recorded as a due to other funds.
- The School had a negative cash balance totaling \$271,595 in federal funds (Child Nutrition Cluster \$204,267, Education Jobs Fund \$41,826, Replacement and Repair of Indian Schools \$20,643, and Carl Perkins \$4,859). In addition, the School had negative cash balances totaling \$1,250,728 in non-federal funds. Finally, the School expended \$150,428 from non federal funds that had no associated revenue or carryover.

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Finding Number: FS-2020-001

RECOMMENDATION

The School should consider voiding checks outstanding for more than one year and reinstating the cash on the general ledger. School management should periodically review internal controls to ensure they are operating effectively and are being followed. The School must also design and implement effective internal control procedures to ensure the general ledger and financial statements are free from misstatements.

VIEWS OF RESPONSIBLE OFFICIALS

See Corrective Action Plan.

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Finding Number: FS-2020-002

Repeat Finding: Yes, FS-2019-005

Type of Finding: Significant Deficiency

Description: Internal Controls Over Capital Assets

CRITERIA

School management is responsible for establishing and implementing effective internal controls over capital assets, including performing a physical inventory and reconciling to the capital assets every two years, as well as appropriately coding capital asset additions as capital outlay in the School's accounting records.

CONDITION

The School lacked adequate internal controls over its accounting of capital assets. Therefore, the capital asset activity may not have been properly captured.

CAUSE

The School's internal controls are not adequately or effectively designed or implemented.

EFFECT

The School was not in compliance with School Policies or federal regulations and guidelines. The School's internal controls over capital assets were not adequate to ensure that all financial activities were properly processed, recorded in the appropriate fiscal year, and supported.

CONTEXT

- During our review of various disbursements and capital assets, the following were noted:
 - The capital asset listing does not contain the location, source of funding, condition, or purchase document number for each item.
- A physical inventory was not reconciled to the capital assets listing.
- The School's policies do not address the estimated useful lives of capital assets.

RECOMMENDATION

The School should develop and implement stronger internal controls over its accounting of capital assets to ensure that all financial activities are properly processed, recorded in the appropriate year, and supported.

VIEWS OF RESPONSIBLE OFFICIALS

See Corrective Action Plan.

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Finding Number: FS-2020-003

Repeat Finding: Yes, FS-2019-003

Type of Finding: Significant Deficiency

Description: Information Technology

CRITERIA

School management is responsible for establishing and maintaining internal controls over information technology, including general ledger controls that are adequate to ensure that a material misstatement would be prevented and/or detected.

CONDITION

The School did not have adequate internal controls over information technology at the general ledger and financial statement level to ensure that all financial activities were properly processed and recorded and supporting documentation was maintained.

CAUSE

The School's policies and procedures related to information technology were not adequately established or implemented.

EFFECT

The School's internal controls over information technology were not adequate to prevent, deter, or detect the potential occurrence of fraud or data loss.

CONTEXT

- The School does not have adopted policies regarding information technology, including password strength policies, backup and recovery procedures, procedures for removing a terminated employee, etc.
- The School has not sufficiently limited access to applications or software based on the needs of the individual's job function in order to prevent unauthorized access to critical systems.

RECOMMENDATION

The School must design and implement effective information technology policies to ensure that all financial activities were properly processed, recorded in the appropriate fiscal year, and supported, and the general ledger and financial statements are free from misstatements.

VIEWS OF RESPONSIBLE OFFICIALS

See Corrective Action Plan.

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Finding Number: FS-2020-004

Repeat Finding: Yes, FS-2019-004

Type of Finding: Significant Deficiency

Description: Procurement

Finding 2020-001, which is discussed in detail in Findings Related to Financial Statements Reported in Findings and Questioned Costs Related to Federal Awards, was considered to be applicable in Accordance with *Government Auditing Standards*.

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS

Finding Number: 2020-001

Repeat Finding: Yes, 2019-004

Program Names/CFDA Titles:	CFDA Numbers:	Federal Award Numbers:	Questioned Costs:
Indian School Equalization Program	15.042	A19AV00943	N/A
Administrative Cost Grants for Indian Schools	15.046	A19AV00943	N/A

Federal Agency: U.S. Department of the Interior

Pass-Through Agency: Bureau of Indian Affairs

Type of Finding: Noncompliance, Significant Deficiency

Compliance Requirement: Procurement, Suspension and Debarment

CRITERIA

The Board adopted a Policies and Procedures Manual that requires the collection of written quotes from \$10,000 to \$20,000 and formal bid procedures in for purchases over \$20,000. Uniform Guidance requires that purchases under the Simplified Acquisition Threshold of \$250,000 follow the requirements for small purchase procedures, and purchases over \$250,000 be procured either through a sealed bid or a competitive proposal (2 CFR Section 200.320).

CONDITION

The School did not follow its Board adopted Policies and Procedures Manual or federal regulations for purchases below the Simplified Acquisition threshold of \$250,000 in the administration of procurements.

CAUSE

The School did not review all purchases to ensure compliance was being met.

EFFECT

The School was not in compliance with CFR 200.320 or School policies.

CONTEXT

The sample was not intended to be, and was not, a statistically valid sample.

During our review of procurement, the following were noted:

- For two of five purchases under the Simplified Acquisition Threshold but over the School's formal bid threshold, the School did not perform any procurement procedures.
- For two of two purchases designated as sole source, the School did not retain documentation to demonstrate why the good or service being procured could only be obtained from one source.

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS

Finding Number: 2020-001

RECOMMENDATION

The School should adhere to their Board adopted Policies and Procedures Manual and requirements under 2CFR Section 200.320.

VIEWS OF RESPONSIBLE OFFICIALS

See Corrective Action Plan.

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS

Finding Number: 2020-002

Repeat Finding: Yes, 2019-002

Program Name/CFDA Title: Indian School Equalization Program

CFDA Number: 15.042

Federal Agency: U.S. Department of the Interior

Federal Award Number: A19AV00943

Pass-Through Agency: Bureau of Indian Affairs

Questioned Costs: N/A

Type of Finding: Noncompliance, Significant Deficiency

Compliance Requirement: Special Tests and Provisions

CRITERIA

According to the Indian Child Protection and Family Violence Protection Act (25 USC section 3201 et. sec.), the School must conduct a character investigation of each individual who is employed or is being considered for employment in a position that involves regular contact with, or control over, Indian children. The investigation should be reinvestigated every five years. The Act further states that the School may employ individuals in those positions only if the individuals meet standards of character, no less stringent than those prescribed under subpart B – Minimum Standards of Character and Suitability for Employment (25 CFR part 63).

CONDITION

The School did not have current and timely character investigations for all employees. In addition, the School did not have adequate character investigations on file for all employees.

CAUSE

School policies were not always followed or controls were not in place to ensure timely character investigations are performed and all adequate documentation is maintained and turnover in key positions. Additionally, starting in March 2020, the School's third party provider for background experienced significant delays in processing background checks related to the COVID-19 Pandemic.

EFFECT

The School was not in compliance with the Indian Child Protection and Family Violence Protection Act.

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS

Finding Number: 2020-002

CONTEXT

The sample was not intended to be, and was not, a statistically valid sample.

During our review of the School's character investigations, the following were noted:

- For one of 30 employee files reviewed, the employee file's background investigation had expired and a current investigation was not on file.
- For twelve of 30 employee files reviewed, the background investigation was not conducted within a reasonable time of the start of employment.
- For one of 30 employee files reviewed, the employee file did not have a complete federal character background investigation on file. As a result, it was unable to be determined whether or not the background investigation was conducted within a reasonable time of the start of employment.

RECOMMENDATION

The School should ensure adequate character investigations are performed and documentation is maintained in a timely manner to achieve full compliance with the School's policies and the Indian Child Protection and Family Violence Prevention Act.

VIEWS OF RESPONSIBLE OFFICIALS

See Corrective Action Plan.

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS

Finding Number: 2020-003

Repeat Finding: Yes, 2019-003 and 2019-001

Program Names/CFDA Titles:	CFDA Numbers:	Federal Award Numbers:	Questioned Costs:
Indian School Equalization Program	15.042	A19AV00943	N/A
Administrative Cost Grants for Indian Schools	15.046	A19AV00943	N/A
Indian Education Facilities, Operations, and Maintenance	15.047	A19AV00943	N/A

Federal Agency: U.S. Department of Indian Affairs

Pass-Through Agency: Bureau of Indian Affairs

Type of Finding: Noncompliance, Significant Deficiency

Compliance Requirement: Reporting

CRITERIA

The School is required to file the Federal Financial Report, SF-425. Quarterly and semi-annual reports are required to be submitted no later than 30 days after the end of each reporting period. Annual reports are required to be submitted no later than 90 days at the end of each reporting period. Uniform Guidance requires that non-federal entities receiving federal awards establish and maintain internal controls designed to reasonably ensure compliance with laws, regulations and program requirements.

CONDITION

The School did not meet its financial reporting obligations during the year.

CAUSE

The School did not have an adequate system in place to monitor compliance with these requirements

EFFECT

The School was not always in compliance with federal regulations and guidelines. Less than full compliance with these reporting requirements could potentially result in a reduction or discontinuation of program awards in the future.

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS

Finding Number: 2020-003

CONTEXT

Two of the SF425 reports were not submitted within 30 days after the end of the reporting period.

RECOMMENDATION

The School should implement training and other procedures for the creation and submission of accurate reports on a timely basis.

VIEWS OF RESPONSIBLE OFFICIALS

See Corrective Action Plan.

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

Summary of Auditor's Results:

Financial Statements

Type of auditor's report issued: Qualified

Internal control over financial reporting:

- Significant deficiency(ies) identified: Yes
- Material weakness(es) identified: Yes

Noncompliance material to financial statements noted: Yes

Federal Awards

Internal control over major programs:

- Significant deficiency(ies) identified: Yes
- Material weakness(es) identified: Yes

Type of auditor's report issued on compliance for major programs: Qualified

Any audit findings disclosed that are required to be reported in accordance with §200.516 of Uniform Guidance: Yes

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
15.042	Indian School Equalization Program
15.046	Administrative Cost Grants for Indian Schools
15.047	Indian Education Facilities, Operation, and Maintenance

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee: No

Findings Related to Financial Statements Reported in Accordance with *Government Auditing Standards*: Yes

Findings and Questioned Costs Related to Federal Awards: Yes

Summary Schedule of Prior Audit Findings required to be reported: Yes

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Finding Number: FS-2019-001

Repeat Finding: Yes – FS-2018-001

Type of Finding: Noncompliance, Material Weakness

Description: Internal Controls Over Financial Reporting and Accounting Records

CRITERIA

School management is responsible for establishing and maintaining internal controls over financial reporting, including general ledger controls that are adequate to ensure that a material misstatement would be prevented and/or detected. The School's systems of internal controls must extend beyond the cash basis general ledger and the supporting schedules prepared by the School; rather, it must also include controls over the GAAP basis financial statements.

CONDITION

The School did not have adequate internal controls over financial reporting at the general ledger and financial statement level to ensure that all financial activities were properly processed and recorded and supporting documentation was maintained.

CAUSE

The School's policies and procedures related to financial reporting were not adequately established or implemented to ensure financial statements activity was accurately recorded.

EFFECT

The School's internal controls over financial reporting at the general ledger and financial statement level were not adequate to ensure that a misstatement would have been prevented and/or detected. Audit adjustments were necessary to correctly present the financial statements. Additionally, the School's internal controls over journal entries were not adequate to ensure that all financial activities were properly processed and recorded. As a result, the School was not always in compliance with GAAP or School policies. The School's internal controls over financial reporting for the Employee Benefit Plan bank account were not adequate to ensure that a misstatement would be prevented and/or detected and as a result, a qualified audit opinion over the account was issued.

CONTEXT

The sample was not intended to be, and was not, a statistically valid sample.

During our review of the School's accounting records and controls, we noted the following:

- Bank reconciliations were not always performed or reviewed timely.
- The School did not always retain supporting documentation for journal entries. In addition, journal entries were not reviewed or approved by someone other than the preparer.

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

Finding Number: FS-2019-001

CONTEXT

- The School had negative cash balances totaling \$390,337 in federal funds and \$1,143,624 in non-federal funds.
- The School has not reconciled the Employee Benefit Plan bank account for several years. An unreconciled difference of \$239,349 exists as of year-end. Current year activity was not recorded by the School in the account during the fiscal year. Documentation of the activity of the self-insurance plan could not be provided.

RECOMMENDATION

School management should periodically review internal controls to ensure they are operating effectively and are being followed. The School must also design and implement effective internal control procedures to ensure the general ledger and financial statements are free from misstatements. The School's journal entry procedures should require all journal entries to be accompanied by supporting documentation, proper approval of the entries, and review of the entries by someone other than the preparer. The School's bank reconciliations should be performed in a timely manner.

VIEWS OF RESPONSIBLE OFFICIALS

See Corrective Action Plan.

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Finding Number: FS-2019-002

Repeat Finding: Yes – FS-2018-002, FS-2018-003, FS-2018-004

Type of Finding: Significant Deficiency

Description: Internal Controls Over Expenditures, Payroll, and Credit Cards

CRITERIA

School management is responsible for establishing and maintaining internal controls over disbursements and payroll that are adequate to ensure that all financial activities are properly processed and recorded. Further, the School is required, except where otherwise authorized by statute, to ensure costs meet the general criteria outlined in 2 CFR 200.403 in order to be allowable under federal awards, including the costs be necessary and reasonable for the performance of the federal award and be allocable thereto under these principles.

CONDITION

The School lacked adequate internal controls over its accounting of disbursements and payroll to ensure all financial activities were properly processed, recorded in the appropriate fiscal year, and supported.

CAUSE

The School's internal controls are not adequately or effectively designed or implemented.

EFFECT

The School was not in compliance with School policies or federal regulations and guidelines. The School's internal controls over disbursements and payroll were not adequate to ensure that all financial activities were properly processed, recorded in the appropriate year, and supported.

CONTEXT

The samples were not intended to be, and were not, statistically valid samples.

During our review of various disbursements and payroll, the following were noted:

- For 14 of 40 disbursements reviewed, the purchase order was prepared and approved after the purchase of goods or services.
- For two of 40 disbursements reviewed, a purchase order was not created, reviewed, or approved.
- For one of 40 disbursements reviewed, the expenditure was not coded in accordance with the School's adopted Chart of Accounts.
- During our review of expenditures, we noted expenditures totaling \$71,687 that were not recorded in the appropriate fiscal year. Audit adjustments were required to properly state the financial statements.

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Finding Number: FS-2019-002

CONTEXT

- For three of five travel reimbursements reviewed, the lodging was reimbursed at amounts greater than the maximums established by the GSA.
- The School's policies do not reference GSA maximums regarding lodging.
- For five of 40 payroll records reviewed, the employees were paid at incorrect rates resulting in a net underpayment of \$306.
- Employees were allowed to carry forward more leave to the next fiscal year than School policy allowed.
- Per review of the credit card log and credit card statements and supporting documentation, determined that the signing in and out of credit cards was not being enforced, therefore, it could not always be determined if a card had been authorized to be used.

RECOMMENDATION

The School should maintain documentation to support all disbursement related transactions. The School should also develop and implement stronger internal controls over its accounting of disbursements, credit cards, and payroll to ensure that all financial activities are properly processed, recorded, and supported.

VIEWS OF RESPONSIBLE OFFICIALS

See Corrective Action Plan.

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Finding Number: FS-2019-003

Repeat Finding: Yes – FS-2018-001

Type of Finding: Significant Deficiency

Description: Information Technology

CRITERIA

School management is responsible for establishing and maintaining internal controls over information technology, including general ledger controls that are adequate to ensure that a material misstatement would be prevented and/or detected.

CONDITION

The School did not have adequate internal controls over information technology at the general ledger and financial statement level to ensure that all financial activities were properly processed and recorded and supporting documentation was maintained.

CAUSE

The School's policies and procedures related to information technology were not adequately established or implemented.

EFFECT

The School's internal controls over information technology were not adequate to prevent, deter, or detect the potential occurrence of fraud or data loss.

CONTEXT

- The School has not adopted policies and procedures to support control activities over information technology.
- The School did not have an adequate formal disaster recovery plan in place.
- The School did not adequately limit access to applications or financial software based on the needs of the individual's job function in order to prevent unauthorized access to critical systems.

RECOMMENDATION

The School must design and implement effective information technology policies to ensure that all financial activities were properly processed, recorded in the appropriate fiscal year, and supported, and the general ledger and financial statements are free from misstatements.

VIEWS OF RESPONSIBLE OFFICIALS

See Corrective Action Plan.

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Finding Number: FS-2019-004

Repeat Finding: Yes – FS-2018-005

Type of Finding: Noncompliance, Material Weakness

Description: Procurement

Finding 2019-004, which is discussed in detail in Findings Related to Financial Statements Reported in Findings and Questioned Costs Related to Federal Awards, was considered to be applicable in Accordance with Government Auditing Standards.

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Finding Number: FS-2019-005

Repeat Finding: Yes – FS-2018-002

Type of Finding: Significant Deficiency

Description: Internal Controls Over Capital Assets

CRITERIA

School management is responsible for establishing and implementing effective internal controls over capital assets, including performing a physical inventory and reconciling to the capital assets every two years, as well as appropriately coding capital asset additions as capital outlay in the School's accounting records.

CONDITION

The School lacked adequate internal controls over its accounting of capital assets. Therefore, the capital asset activity may not have been properly captured.

CAUSE

The School's internal controls are not adequately or effectively designed or implemented.

EFFECT

The School was not in compliance with School Policies or federal regulations and guidelines. The School's internal controls over capital assets were not adequate to ensure that all financial activities were properly processed, recorded in the appropriate fiscal year, and supported.

CONTEXT

During our review of various disbursements and capital assets, the following were noted:

- The capital asset listing does not contain the location, source of funding, condition, or purchase document number for each item.
- A physical inventory was not reconciled to the capital assets listing.
- The School's policies do not address the estimated useful lives of capital assets.

RECOMMENDATION

The School should develop and implement stronger internal controls over its accounting of capital assets to ensure that all financial activities are properly processed, recorded in the appropriate year, and supported.

VIEWS OF RESPONSIBLE OFFICIALS

See Corrective Action Plan.

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS

Finding Number: 2019-001

Repeat Finding: Yes – 2018-001

<u>Program Names/CFDA Titles:</u>	<u>CFDA Numbers:</u>	<u>Federal Award Numbers:</u>	<u>Questioned Costs:</u>
Indian School Equalization Program	15.042	A18AV00699	\$ 54
Indian Education Facilities, Operations, and Maintenance	15.047	A18AV00699	54
Administrative Costs Grant for Indian Schools	15.046	A18AV00699	N/A
Special Education Grants to States	84.027	A18AV00699	N/A

Federal Agency: U.S. Department of the Interior

Pass-Through Agency: Bureau of Indian Affairs

Type of Finding: Noncompliance, Material Weakness

Compliance Requirements: Activities Allowed or Unallowed; Allowable Costs/
Cost Principles; Matching, Level of Effort, Earmarking

CRITERIA

The School is required, except where otherwise authorized by statute, to ensure costs meet the general criteria outlined in 2 CFR 200.403 in order to be allowable under federal awards, including the costs be necessary and reasonable for the performance of the federal award and be allocable thereto under these principles.

Indian tribes and tribal organizations may without the approval of the BIA expend funds provided under a self-determination contract for purposes identified in 25 USC 46, to the extent that the expenditure of the funds is supportive of a contracted program (25 USC 46). These guidelines require internal controls over expenditures of federal monies including the use of requisitions or purchase orders to ensure expenditures comply with federal regulations and guidelines (25 CFR 39; 25 CFR 45; 25 CFR 900).

Additionally, since the School is considered a Federal Grant School with Indian School Equalization Program (ISEP) funds being the primary funding source, the ISEP grant allows for up to 15 percent of ISEP funds to be spent on Special Education Grant's needs. Grant schools are only permitted to apply for Individuals with Disability Education Act (IDEA) Special Education Cluster funds at the point expenditure requirements exceed the ISEP allocations (25 CFR 39.105).

CONDITION

The School lacked adequate internal controls over its accounting of disbursements to ensure compliance with federal regulations and guidelines and School policies. In addition, the School did not expend the full allocation of ISEP funds for special education prior to expending Special Education Grants to States funds.

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS

Finding Number: 2019-001

CAUSE

The School lacked appropriate controls and oversight.

EFFECT

The School was not always in compliance with School policies or federal regulations and guidelines.

CONTEXT

The samples were not intended to be, and were not, statistically valid samples.

During our review of the School's accounting records and travel reimbursements, the following were noted:

- For three of five travel reimbursements reviewed, the lodging was reimbursed at amounts greater than the maximums established by the GSA.
- The School did not expend the entirety of the 15 percent Special Education ISEP allocation prior to expending Special Education Grants to States funding.
- The School had deficit ending cash balances in the following federal grants: Indian Schools Student Transportation \$91,718, Child Nutrition Cluster \$231,290, Education Jobs Fund \$41,826, Replacement and Repair of Indian Schools \$20,644, and Carl Perkins \$4,859.
- The School did not always retain supporting documentation for journal entries. In addition, journal entries were not always reviewed or approved by someone other than the preparer.

RECOMMENDATION

The School should develop and implement stronger internal controls over its accounting of disbursements to ensure that disbursements are allowable. In addition, the School should implement procedures to track expenditures to ensure it expends its full ISEP special education allocation prior to requesting Special Education Cluster funds.

VIEWS OF RESPONSIBLE OFFICIALS

See Corrective Action Plan.

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS

Finding Number: 2019-002
Repeat Finding: Yes – 2018-004
Program Name/CFDA Title: Indian School Equalization
CFDA Number: 15.042
Federal Agency: U.S. Department of the Interior
Federal Award Number: A18AV00699
Pass-Through Agency: Bureau of Indian Affairs
Questioned Costs: N/A
Type of Finding: Noncompliance, Material Weakness
Compliance Requirement: Special Tests and Provisions

CRITERIA

According to the Indian Child Protection and Family Violence Protection Act (25 USC section 3201 et. sec.), the School must conduct a character investigation of each individual who is employed or is being considered for employment in a position that involves regular contact with, or control over, Indian children. The investigation should be reinvestigated every five years. The Act further states that the School may employ individuals in those positions only if the individuals meet standards of character, no less stringent than those prescribed under subpart B – Minimum Standards of Character and Suitability for Employment (25 CFR part 63).

CONDITION

The School did not have current and timely character investigations for all employees. In addition, the School did not have adequate character investigations on file for all employees.

CAUSE

School policies were not always followed or controls were not in place to ensure timely character investigations are performed and all adequate documentation is maintained and turnover in key positions.

EFFECT

The School was not in compliance with the Indian Child Protection and Family Violence Protection Act.

CONTEXT

The sample was not intended to be, and was not, a statistically valid sample.

During our review of the School's character investigations, the following were noted:

- For one of 41 employee files reviewed, the employee file did not have a complete federal background check on file, therefore it could not be determined whether the character investigation was completed timely and was still valid.

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS

Finding Number: 2019-002

CONTEXT

- For three of 41 employee files reviewed, the character investigations were not performed timely.
- For 17 of 41 employee files reviewed, the employee file's background investigation had expired and a current investigation was not on file.
- For four of 41 employee files reviewed, an adjudication form was not on file.

RECOMMENDATION

The School should ensure adequate character investigations are performed and documentation is maintained in a timely manner to achieve full compliance with the School's policies and the Indian Child Protection and Family Violence Prevention Act.

VIEWS OF RESPONSIBLE OFFICIALS

See Corrective Action Plan.

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS

Finding Number: 2019-003

Repeat Finding: Yes – 2018-006

<u>Program Names/CFDA Titles:</u>	<u>CFDA Numbers:</u>	<u>Federal Award Numbers:</u>	<u>Questioned Costs:</u>
Indian School Equalization Program	15.042	A18AV00699	N/A
Administrative Cost Grants for Indian Schools	15.046	A18AV00699	N/A
Indian Education Facilities, Operations, and Maintenance	15.047	A18AV00699	N/A

Federal Agency: U.S. Department of the Interior

Pass-Through Agency: Bureau of Indian Affairs

Type of Finding: Noncompliance, Significant Deficiency

Compliance Requirements: Reporting

CRITERIA

The School is required to file the Federal Financial Report, SF-425. Quarterly and semi-annual reports are required to be submitted no later than 30 days after the end of each reporting period. Annual reports are required to be submitted no later than 90 days at the end of each reporting period.

CONDITION

The School did not meet its financial reporting obligations during the year.

CAUSE

The School did not have an adequate system in place to monitor compliance with these requirements.

EFFECT

The School was not always in compliance with federal regulations and guidelines. Less than full compliance with these reporting requirements could potentially result in a reduction or discontinuation of program awards in the future.

CONTEXT

During our review of the School’s SF-425 reports, it was noted that the first quarter SF-425 report was not submitted timely.

RECOMMENDATION

The School should implement training and other procedures for the creation and submission of accurate reports on a timely basis.

VIEWS OF RESPONSIBLE OFFICIALS

See Corrective Action Plan.

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS

Finding Number: 2019-004

Repeat Finding: Yes – 2018-005

Program Names/CFDA Titles:	CFDA Numbers:	Federal Award No.'s:	Questioned Costs:
Indian School Equalization Program	15.042	A18AV00699	N/A
Administrative Cost Grants for Indian Schools	15.046	A18AV00699	N/A

Federal Agency: U.S. Department of the Interior

Pass-Through Agency: Bureau of Indian Affairs

Type of Finding: Noncompliance, Material Weakness

Compliance Requirements: Procurement, Suspension and Debarment

CRITERIA

Non-federal entities other than states, including those operating federal programs as subrecipients of states, must follow the procurement standards set out at 2 CFR sections 200.318 through 200.326. They must use their own documented procurement procedures, which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable federal statutes and the procurement requirements identified in 2 CFR part 200. The Board adopted a Policies and Procedures Manual that requires the collection of verbal quotes for purchases of at least \$2,500 but less than \$10,000, written quotes for purchases of at least \$10,000 but no more than \$20,000, and formal bid procedures for purchases over \$20,000. Additionally, the manual requires procurement records to be maintained for three years after the School or School’s agents, subcontractors or obligors make the final payment and all other pending matters are closed. Finally, the Uniform Guidance requires employees to verify that the vendor, supplier, contractor, subcontractor, provider or their respective principals (e.g., owners, top management, etc.) with expenditures in excess of \$25,000 are not suspended, debarred or otherwise excluded by the Federal Government. The School should consult the Federal Excluded Parties List System (EPLS) before awarding funds and print the documentation to maintain in the contract file. This requirement is specified in 2 CFR section 180.220.

CONDITION

The School did not follow its Board adopted Policies and Procedures Manual or federal regulations for purchases below the Simplified Acquisition threshold of \$150,000 in the administration of procurements.

CAUSE

Lack of knowledge, inadequate training, turnover of key positions, and inadequate record keeping.

EFFECT

The School was not in compliance with the Board adopted Policies and Procedures Manual. Additionally, the School was not compliant with 2 CFR section 180.220 and as a result could have entered into a contract with a suspended or debarred party. However, it was determined that the vendors were not suspended or debarred.

**ROUGH ROCK COMMUNITY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS

Finding Number: 2019-004

CONTEXT

The sample was not intended to be, and was not, a statistically valid sample.

During our review of procurement, the following were noted:

- For three of six purchases in the School's formal bid range, the School did not perform a sealed bid or proposal.
- For two of six purchases in the School's formal bid range, the School obtained quotes rather than a sealed bid or proposal.
- For all three purchases in the School's quote range, the School did not obtain or maintain quotes.
- For all five covered transactions reviewed, the School did not perform the suspension and debarment check.
- For one purchase procured through a competitive bid, the School did not maintain supporting documentation for the bid.

RECOMMENDATION

The School should adhere to their Board adopted Policies and Procedures Manual and the Suspension and Debarment requirements under 2 CFR Section 180.220.

VIEWS OF RESPONSIBLE OFFICIALS

See Corrective Action Plan.



Tséch'ízhí Diné Bi'ólta'

ROUGH ROCK COMMUNITY SCHOOL, INC.

SCHOOL BOARD

Perry Begay, President
Crystalyn Curley, Vice President
Rena Mann, Member
Ronald Gishey, Member

Catherine Begay, Principal K-12

Roseyphena Sells, Interim Superintendent

March 31, 2020

To Whom It May Concern:

The accompanying Corrective Action Plan has been prepared as required by U.S. Office of Management and Budget Uniform Guidance. The name of the contact person responsible for corrective action, the planned corrective action, and the anticipated completion date for each finding included in the current year's Schedule of Findings and Questioned Costs have been provided.

In addition, we have also prepared the accompanying Summary Schedule of Prior Audit Findings which includes the status of audit findings reported in the prior year's audit.

Sincerely,

Corena Owen
Business Manager

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**ROUGH ROCK COMMUNITY SCHOOL
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2019**

Findings Related to Financial Statements Reported in Accordance with *Government Auditing Standards*

Finding Number: FS-2019-001

Contact Persons: Corena Owen, Catherine Begay

Anticipated Completion Date: June 30, 2020

Planned Corrective Action: Rough Rock Community School confirms that Finding FS-2019-001 is a repeat finding from the school year 2017-18 audit. Rough Rock Community School's internal controls have been a challenge. A Business Manager was hired July 1, 2018. Since then, the School has also hired an Accounts Payable/Payroll Clerk and a Business Office Assistant. The School has also continued the services of a CPA to ensure that the financial statements are free from misstatements. Internal controls are outlined in the School's policies and procedures, and its implementation began in July of 2018. School Year 2018-19 was spent training new Business Office staff and School staff in proper procurement procedures.

Additionally, RRCS continues to improve the utilization of the ABILA MIP Fund Accounting software program for accounts management. The Business Manager and CPA have been working collaboratively to complete bank reconciliations through June 2019 and will continue to do so for school year 2019-20.

RRCS Administration monitors and reviews procedures to ensure that internal controls are in place and implemented, reconciliations completed in a timely manner, accounting, financial, and budgetary information is accurate and completed using the generally accepted accounting principles guidelines. A journal entry form has been developed and the form was approved for use by the School Board in September of 2019. This form will require supporting documentation and proper approval of the journal entry process to avoid a future repeat finding.

RRCS is currently working on updating its financial accounting policies and procedures which was last updated in 2014. Article XIV of the Policies and Procedures Manual outline the procedures for Journal Entries, the General Ledger, Bank Statements, End-of-Month, End-of-Year, Budgeting, and Financial Reporting and the persons responsible for making journal entries. The Policies and Procedures Manual specifies internal controls and it will be revised, implemented, and enforced to account for the fund balance and accurate grant carryforward upon the review and approval of the School Board. Ensuring Trial Balance Maintenance and timely reconciliations continued training for key personnel and staff in proper coding and procedures will be the responsibility of the Business Office and Superintendent.

**ROUGH ROCK COMMUNITY SCHOOL
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2019**

Findings Related to Financial Statements Reported in Accordance with *Government Auditing Standards*

Finding Number: FS-2019-001

Rough Rock Community School Board has also approved changing the carrier of the self-funded insurance benefit plan from Hawaii Mainland Administrators (HMA) to Summit Administrative Services to avoid the lack of sufficient and appropriate audit evidence for future audits which HMA was not able to provide. The effective date of the new self-insurance benefit plan was July 1, 2019.

A corrective action plan for finding FS-2018-001 from the school year 2017-18 audit was set to be corrected by December 31, 2019, but the process was delayed due to RRCS Business Office's focus on correcting and bringing accounting information current from previous years. A plan to update the policies and procedures by December 31, 2019 was also delayed because staff involved in the process were placed on administrative leave, and the Business Manager was on leave in December for a family emergency.

Finding Number: FS-2019-002

Contact Persons: Colleen Dick, Corena Owen, Catherine Begay

Anticipated Completion Date: June 30, 2020

Planned Corrective Action: Management concurs with Finding FS-2019-002 and as the repeat finding from the school year 2017-18 audit. Rough Rock Community School hired new staff members in school year 2018-19 who were not familiar with the School's procurement policies and procedures, so professional development days were set up to train new Business Office staff and other School staff over the course of the 2018-19 school year.

Extensive training sessions regarding payroll, procurement, and travel authorizations will need to be continued in school year 2019-20, not only for the Business Office staff, but for all staff to avoid future repeat findings. Review of Procurement Policies will be updated by June 30, 2020. All staff, Administrators, and School Board will need to be a part of the implementation, which will be a key component for success and compliance.

As stated in Finding FS-2019-001, a corrective action plan for the finding from the school year 2017-18 audit was set to be completed by December 31, 2019, but the process was delayed due to RRCS Business Office's primary focus being on correcting and bringing current accounting information from previous years.

**ROUGH ROCK COMMUNITY SCHOOL
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2019**

Findings Related to Financial Statements Reported in Accordance with *Government Auditing Standards*

Finding Number: FS-2019-003

Contact Persons: Anthony Jim, Corena Owen

Anticipated Completion Date: June 30, 2020

Planned Corrective Action: Management concurs with finding of FS-2019-003 and as a repeat finding for the school year 2017-18 audit. Rough Rock Community School has been working on adopting policies and procedures to support activities over information technology. RRCS did not have Information Technology personnel for school year 2018-2019; therefore, the services of an outside consulting firm were utilized and were called upon for services only when needed. RRCS hired an Information Technology Coordinator in July 2019 for school year 2019-20 and discontinued the services of the consulting firm. The Information Technology Coordinator is currently working with Management to outline and adopt policies and procedures to support activities over Information Technology which includes a disaster recovery plan.

The Abila MIP Accounting program has been moved offsite to an online platform, and the company does its own backups. The Information Technology Coordinator ordered new servers in school 2019-20 that will be redundant from one server to another. For example, Microsoft Exchange server will be redundant to the Active Directory Server and vice versa. The School is also currently working with a company to best perform backup every four (4) days for our servers and other critical systems offsite. The School should have a disaster plan for technology in place by June 30, 2020.

The Information Technology Coordinator along with the Business Manager and Superintendent will review user access and adjust/terminate/create access to Abila Cloud to enhance internal control and to prevent unauthorized access.

Finding Number: FS-2019-004

Contact Persons: Corena Owen, Colleen Dick, Catherine Begay

Anticipated Completion Date: June 30, 2020

Planned Corrective Action: Management concurs with Finding FS-2019-004 and as repeat finding from the school year 2017-18 audit. As addressed in FS-2019-001, the issue of internal control is continuously monitored and improved. The Business Manager continues to strengthen, implement, oversee, and provide guidance to RRCS staff on procurement processes and procedures. RRCS also conducted trainings for all staff from July 2018 to current, but to avoid repeat finding, additional training will need to be provided. The Policy and Procedures Manual was last updated in 2014. For School 2019-20, RRCS Board and Administration are working to revise and develop additional policies regarding financial management, including the enforcement of disciplinary action if procurement policies and procedures are not followed. Within this revised policy, a suspension and debarment check through sam.gov will be added to comply with 2 CFR, section 180.220. As stated in FS-2019-001, there was a delay in completing this corrective action plan from the school year 2017-18 audit.

**ROUGH ROCK COMMUNITY SCHOOL
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2019**

Findings Related to Financial Statements Reported in Accordance with *Government Auditing Standards*

Finding Number: FS-2019-004

RRCS Administration has worked to strengthen its internal control procedures to ensure that payments are made in accordance with contract terms and conditions, but additional training still needs to be conducted for incoming new personnel. The School will competitively bid purchases when required. The School will work to ensure that payments are properly approved, processed and continue to educate all staff on proper procedures for purchasing and payments. This will include the use of other training institutions.

Finding Number: FS-2019-005

Contact Persons: Toni Sells-Nez, Corena Owen, Catherine Begay

Anticipated Completion Date: June 30, 2020

Planned Corrective Action: Management concurs with finding FS-2019-005 and as repeat finding of FS-2018-002 from the school year 2017-18 audit. Rough Rock Community School has had difficulties with management of equipment and real property; however, in school year 2018-19, the Superintendent and Business Manager, along with the Property/Receiving Clerk, have made significant improvement to track and record school equipment, but this still needs additional training. Progress has been made through the strengthening and implementation of the School's policies and procedures requiring that accurate property inventory be maintained and documented. The Superintendent, Receiving/Property Clerk and Business Manager will continue to work with staff to ensure that all discrepancies identified in the report are properly corrected for the 2019-20 school year. Equipment is being tagged to ensure that the School is properly accounting for its assets. The Business Manager and Property/Receiving Clerk, or designee, are responsible for ensuring that tags are affixed to equipment and that equipment per the inventory list can be identified at the school.

Property Management trainings with other organizations were also planned for the Property Receiving Department and Business Office personnel, but the trainings were canceled by the vendor. Review of the Policies and Procedures Manual regarding Equipment and Real Property Management will need to be reviewed by staff, Administrators, and School Board; implementation will be key for success and compliance. Additional forms and spreadsheets have been created and implemented which will assist in tracking all assets during the 2019-20 school year. As stated in FS-2019-001, the revision of the financial policies and procedures has been delayed from the corrective action completion date of December 31, 2019.

**ROUGH ROCK COMMUNITY SCHOOL
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2019**

Findings and Questioned Costs Related to Federal Awards

Finding Number: 2019-001

<u>Program Names/CFDA Titles:</u>	<u>CFDA Numbers:</u>
Indian School Equalization Program	15.042
Indian Education Facilities, Operations, and Maintenance	15.047
Administrative Costs Grant for Indian Schools	15.046
Special Education Grants to States	84.027

Contact Persons: Corena Owen, Catherine Begay

Anticipated Completion Date: June 30, 2020

Planned Corrective Action: Management concurs with these findings and also as a repeat finding from the school 2017-18 audit. Rough Rock Community School Board and Administration are currently working to revise the Policies and Procedures Manual which was last updated in 2014. A corrective action plan for the finding from the school 2017-18 audit was set to be completed by December 31, 2019, but the process was delayed due to the RRCS Business Office correcting and bringing accounting information current from previous years. A plan to update the policies and procedures by December 31, 2019 was also delayed because staff involved in the process were placed on administrative leave, and the Business Manager was on leave in December for a family emergency.

RRCS staff is continuously provided training that all supporting documentation is to be submitted and retained for all purchase transactions. More training on Federal Travel Regulations and procurement processes will be provided during professional development days to continuing and new staff. The School has also continued the services of a CPA to ensure that the financial statements are free from misstatements.

Business Office personnel will acquire additional training as needed and train all staff in proper documentation and allowable/unallowable costs for each federal award. The Superintendent and Business Manager will monitor the expenditures for the ISEP 15 percent Special Education funds as well as the Special Education Cluster funds to ensure that the funds are expended in the year it was allotted.

**ROUGH ROCK COMMUNITY SCHOOL
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2019**

Findings and Questioned Costs Related to Federal Awards

Finding Number: 2019-002

Program Name/CFDA Title: Indian School Equalization Program

CFDA Number: 15.042

Contact Person: Mark Little

Anticipated Completion Date: June 30, 2020

Planned Corrective Action: The Human Resources Department has been under new management for two years now. Prior, the School had a Technician who did not have the experience. The Human Resources Manager was hired in August 2018. The prior employee did not have the appropriate experience and did not have the certification to conduct the proper adjudication processes. Currently, the Human Resources Manager has over nine years experience and possesses to appropriate certification to complete and certify the proper background check processes. The department, with a team of administrators, supervisors, teachers, and classified staff, have reviewed the current personnel policy manual, thus have made some recommended amendments and additions. Moving forward, newly recommended hires to the School Board will have all background checks completed, and the applicants' packets will be shared with the Board to exhibit completion prior to the Board's approval for hire. Applicants with non-completed background checks will not be provided and recommended for hire until all background checks have been completed and cleared. The Human Resources Manager has been in collaboration with the Department of Dine' Education to ensure all Board members have their proper and required background checks completed.

Finding Number: 2019-003

<u>Program Names/CFDA Titles:</u>	<u>CFDA Numbers:</u>
Indian School Equalization Program	15.042
Administrative Cost Grants for Indian Schools	15.046
Indian Education Facilities, Operations, and Maintenance	15.047

Contact Persons: Corena Owen, Catherine Begay, School Board

Anticipated Completion Date: June 30, 2020

Planned Corrective Action: Management acknowledges finding 2019-003 and as a repeat finding from the school year 2017-18 audit. In fiscal year 2018, RRCS did not have a Business Manager; therefore a consulting firm was overseeing the Business Office along with a Business Technician. The high staff turnover in the Business Office has put increased burden on business operations. With the lack of a Business Manager, data entry errors and cost coding errors into the ABILA MIP Fund Accounting software program resulted in the lack of journal entries to the general ledger and the lack of completed bank reconciliations. Internal controls were outlined in the School's policies and procedures; however, implementation was difficult due to the Business Office not having a Business Manager, Accounts Payable, or Payroll Technician. In July 2018, a Business Manager was hired. The first few months of school year 2018-19, Business Office operations focus was to bring accounting information current from the previous year. Bank reconciliations had to be brought current through June 2018. This took time, and the SF-425 was not submitted on time. Management has since then completed federal reporting requirements in a timely manner.

**ROUGH ROCK COMMUNITY SCHOOL
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2019**

Findings and Questioned Costs Related to Federal Awards

Finding Number: 2019-003

With the completion of school year 2017-18, it was evident the School needed continued assistance of a CPA to ensure that the financial statements are free from misstatements. RRCS Administration will continue to monitor and review procedures to ensure that internal controls are in place and met, reporting completed and submitted when due, reconciliations are completed, accounting, financial, and budgetary information are accurate and complete according to generally accepted accounting principles. OMB Supercircular training was also planned for school year 2019-20; however, it has not taken place due to cancellations and travel restrictions, but RRCS will continue to look for future trainings.

As stated in Finding 2019-001, RRCS is currently working on updating its financial accounting policies and procedures. It will be the responsibility of the Business Manager and Superintendent to ensure that proper training is provided to key personnel and staff so that financial activities are properly recorded.

Finding Number: 2019-004

<u>Program Names/CFDA Titles:</u>	<u>CFDA Numbers:</u>
Indian School Equalization Program	15.042
Administrative Cost Grants for Indian Schools	15.046

Contact Persons: Corena Owen, Catherine Begay

Anticipated Completion Date: June 30, 2020

Planned Corrective Action: Management concurs with finding 2019-004 and also as a repeat finding from the school 2017-18 audit. As stated in 2019-001, Rough Rock Community School Board and Administration are currently working to revise Policies and Procedures Manual which was last updated in 2014. A corrective action plan for the finding from the school 2017-18 audit was set to be completed by December 31, 2019, but the process was delayed due to RRCS Business Office correcting and bringing accounting information current from previous years. A plan to update the policies and procedures by December 31, 2019 was also delayed because staff involved in the process were placed on administrative leave and the Business Manager was on leave in December for a family emergency.

**ROUGH ROCK COMMUNITY SCHOOL
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2019**

Findings and Questioned Costs Related to Federal Awards

Finding Number: 2019-004

The Business Manager implemented controls over the Business Office operations at the beginning of school year 2018-19 and continues to strengthen, implement, oversee, and provide guidance to RRCS staff on purchasing. RRCS also held procurement procedures training to all staff from July 2018 through December 2019. The School's Policy and Procedures Manual was last updated in 2014; for school year 2019-20, RRCS Board and Administration are working to revise and develop additional policies regarding financial management. Within this revised policy, a suspension and debarment check through sam.gov will be added to comply with 2 CFR section 180.220.

RRCS Administration continues to strengthen its internal control procedures to ensure that payments are made in accordance with contract terms and conditions. The School will competitively bid purchases when required.

**ROUGH ROCK COMMUNITY SCHOOL
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2019**

**Status of Findings Related to Financial Statements Reported in Accordance with
*Government Auditing Standards***

Finding Number: FS-2018-001

Status: Not corrected. See current year finding FS-2019-001 and FS-2019-003.

Planned Corrective Action: Rough Rock Community School confirms that Finding FS-2019-001 is a repeat finding from the school year 2017-18 audit. Rough Rock Community School's internal controls have been a challenge. A Business Manager was hired July 1, 2018. Since then, the School has also hired an Accounts Payable/Payroll Clerk and a Business Office Assistant. The School has also continued the services of a CPA to ensure that the financial statements are free from misstatements. Internal controls are outlined in the School's policies and procedures, and its implementation began in July of 2018. School Year 2018-19 was spent training new Business Office staff and School staff in proper procurement procedures.

Additionally, RRCS continues to improve the utilization of the ABILA MIP Fund Accounting software program for accounts management. The Business Manager and CPA have been working collaboratively to complete bank reconciliations through June 2019 and will continue to do so for school year 2019-20.

RRCS Administration monitors and reviews procedures to ensure that internal controls are in place and implemented, reconciliations completed in a timely manner, accounting, financial, and budgetary information is accurate and completed using the generally accepted accounting principles guidelines. A journal entry form has been developed and the form was approved for use by the School Board in September of 2019. This form will require supporting documentation and proper approval of the journal entry process to avoid a future repeat finding.

RRCS is currently working on updating its financial accounting policies and procedures which was last updated in 2014. Article XIV of the Policies and Procedures Manual outline the procedures for Journal Entries, the General Ledger, Bank Statements, End-of-Month, End-of-Year, Budgeting, and Financial Reporting and the persons responsible for making journal entries. The Policies and Procedures Manual specifies internal controls and it will be revised, implemented, and enforced to account for the fund balance and accurate grant carryforward upon the review and approval of the School Board. Ensuring Trial Balance Maintenance and timely reconciliations continued training for key personnel and staff in proper coding and procedures will be the responsibility of the Business Office and Superintendent.

A corrective action plan for finding FS-2018-001 from the school year 2017-18 audit was set to be corrected by December 31, 2019, but the process was delayed due to RRCS Business Office's focus on correcting and bringing accounting information current from previous years. A plan to update the policies and procedures by December 31, 2019 was also delayed because staff involved in the process were placed on administrative leave, and the Business Manager was on leave in December for a family emergency.

**ROUGH ROCK COMMUNITY SCHOOL
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2019**

**Status of Findings Related to Financial Statements Reported in Accordance with
*Government Auditing Standards***

Finding Number: FS-2018-001

Management concurs with finding of FS-2019-003 and as a repeat finding for the school year 2017-18 audit. Rough Rock Community School has been working on adopting policies and procedures to support activities over information technology. RRCS did not have Information Technology personnel for school year 2018-2019; therefore, the services of an outside consulting firm were utilized and were called upon for services only when needed. RRCS hired an Information Technology Coordinator in July 2019 for school year 2019-20 and discontinued the services of the consulting firm. The Information Technology Coordinator is currently working with Management to outline and adopt policies and procedures to support activities over Information Technology which includes a disaster recovery plan.

The Abila MIP Accounting program has been moved offsite to an online platform, and the company does its own backups. The Information Technology Coordinator ordered new servers in school 2019-20 that will be redundant from one server to another. For example, Microsoft Exchange server will be redundant to the Active Directory Server and vice versa. The School is also currently working with a company to best perform backup every four (4) days for our servers and other critical systems offsite. The School should have a disaster plan for technology in place by June 30, 2020.

The Information Technology Coordinator along with the Business Manager and Superintendent will review user access and adjust/terminate/create access to Abila Cloud to enhance internal control and to prevent unauthorized access.

Finding Number: FS-2018-002

Status: Partially corrected. See current year finding FS-2019-002 and FS-2019-005.

Planned Corrective Action: Management concurs with Finding FS-2019-002 and as the repeat finding from the school year 2017-18 audit. Rough Rock Community School hired new staff members in school year 2018-19 who were not familiar with the School's procurement policies and procedures, so professional development days were set up to train new Business Office staff and other School staff over the course of the 2018-19 school year.

Extensive training sessions regarding payroll, procurement, and travel authorizations will need to be continued in school year 2019-20, not only for the Business Office staff, but for all staff to avoid future repeat findings. Review of Procurement Policies will be updated by June 30, 2020. All staff, Administrators, and School Board will need to be a part of the implementation, which will be a key component for success and compliance.

**ROUGH ROCK COMMUNITY SCHOOL
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2019**

**Status of Findings Related to Financial Statements Reported in Accordance with
*Government Auditing Standards***

Finding Number: FS-2018-002

As stated in Finding FS-2019-001, a corrective action plan for the finding from the school year 2017-18 audit was set to be completed by December 31, 2019, but the process was delayed due to RRCS Business Office's primary focus being on correcting and bringing current accounting information from previous years.

Management concurs with finding FS-2019-005 and as repeat finding of FS-2018-002 from the school year 2017-18 audit. Rough Rock Community School has had difficulties with management of equipment and real property; however, in school year 2018-19, the Superintendent and Business Manager, along with the Property/Receiving Clerk, have made significant improvement to track and record school equipment, but this still needs additional training. Progress has been made through the strengthening and implementation of the School's policies and procedures requiring that accurate property inventory be maintained and documented. The Superintendent, Receiving/Property Clerk and Business Manager will continue to work with staff to ensure that all discrepancies identified in the report are properly corrected for the 2019-20 school year. Equipment is being tagged to ensure that the School is properly accounting for its assets. The Business Manager and Property/Receiving Clerk, or designee, are responsible for ensuring that tags are affixed to equipment and that equipment per the inventory list can be identified at the school.

Property Management trainings with other organizations were also planned for the Property Receiving Department and Business Office personnel, but the trainings were canceled by the vendor. Review of the Policies and Procedures Manual regarding Equipment and Real Property Management will need to be reviewed by staff, Administrators, and School Board; implementation will be key for success and compliance. Additional forms and spreadsheets have been created and implemented which will assist in tracking all assets during the 2019-20 school year. As stated in FS-2019-001, the revision of the financial policies and procedures has been delayed from the corrective action completion date of December 31, 2019.

Finding Number: FS-2018-003

Status: Partially corrected. See current year finding FS-2019-002.

Planned Corrective Action: Management concurs with Finding FS-2019-002 and as the repeat finding from the school year 2017-18 audit. Rough Rock Community School hired new staff members in school year 2018-19 who were not familiar with the School's procurement policies and procedures, so professional development days were set up to train new Business Office staff and other School staff over the course of the 2018-19 school year.

**ROUGH ROCK COMMUNITY SCHOOL
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2019**

**Status of Findings Related to Financial Statements Reported in Accordance with
*Government Auditing Standards***

Finding Number: FS-2018-003

Extensive training sessions regarding payroll, procurement, and travel authorizations will need to be continued in school year 2019-20, not only for the Business Office staff, but for all staff to avoid future repeat findings. Review of Procurement Policies will be updated by June 30, 2020. All staff, Administrators, and School Board will need to be a part of the implementation, which will be a key component for success and compliance.

As stated in Finding FS-2019-001, a corrective action plan for the finding from the school year 2017-18 audit was set to be completed by December 31, 2019, but the process was delayed due to RRCS Business Office's primary focus being on correcting and bringing current accounting information from previous years.

Finding Number: FS-2018-004

Status: Partially corrected. See current year finding FS-2019-002.

Planned Corrective Action: Management concurs with Finding FS-2019-002 and as the repeat finding from the school year 2017-18 audit. Rough Rock Community School hired new staff members in school year 2018-19 who were not familiar with the School's procurement policies and procedures, so professional development days were set up to train new Business Office staff and other School staff over the course of the 2018-19 school year.

Extensive training sessions regarding payroll, procurement, and travel authorizations will need to be continued in school year 2019-20, not only for the Business Office staff, but for all staff to avoid future repeat findings. Review of Procurement Policies will be updated by June 30, 2020. All staff, Administrators, and School Board will need to be a part of the implementation, which will be a key component for success and compliance.

As stated in Finding FS-2019-001, a corrective action plan for the finding from the school year 2017-18 audit was set to be completed by December 31, 2019, but the process was delayed due to RRCS Business Office's primary focus being on correcting and bringing current accounting information from previous years.

**ROUGH ROCK COMMUNITY SCHOOL
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2019**

**Status of Findings Related to Financial Statements Reported in Accordance with
*Government Auditing Standards***

Finding Number: FS-2018-005

Status: Not corrected. See current year finding FS-2019-004.

Planned Corrective Action: Management concurs with Finding FS-2019-004 and as repeat finding from the school year 2017-18 audit. As addressed in FS-2019-001, the issue of internal control is continuously monitored and improved. The Business Manager continues to strengthen, implement, oversee, and provide guidance to RRCS staff on procurement processes and procedures. RRCS also conducted trainings for all staff from July 2018 to current, but to avoid repeat finding, additional training will need to be provided. The Policy and Procedures Manual was last updated in 2014. For School 2019-20, RRCS Board and Administration are working to revise and develop additional policies regarding financial management, including the enforcement of disciplinary action if procurement policies and procedures are not followed. Within this revised policy, a suspension and debarment check through sam.gov will be added to comply with 2 CFR, section 180.220. As stated in FS-2019-001, there was a delay in completing this corrective action plan from the school year 2017-18 audit.

RRCS Administration has worked to strengthen its internal control procedures to ensure that payments are made in accordance with contract terms and conditions, but additional training still needs to be conducted for incoming new personnel. The School will competitively bid purchases when required. The School will work to ensure that payments are properly approved, processed and continue to educate all staff on proper procedures for purchasing and payments. This will include the use of other training institutions.

Rough Rock Community School Board has also approved changing the carrier of the self-funded insurance benefit plan from Hawaii Mainland Administrators (HMA) to Summit Administrative Services to avoid the lack of sufficient and appropriate audit evidence for future audits which HMA was not able to provide. The effective date of the new self-insurance benefit plan was July 1, 2019.

**ROUGH ROCK COMMUNITY SCHOOL
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2019**

Status of Findings and Questioned Costs Related to Federal Awards

Finding Number: 2018-001

<u>Program Names/CFDA Titles:</u>	<u>CFDA Numbers:</u>
Indian School Equalization Program	15.042
Administrative Cost Grants Indian Schools	15.046
Special Education Cluster	84.027

Status: Not corrected. See current year finding 2019-001.

Planned Corrective Action: Management concurs with these findings and also as a repeat finding from the school 2017-18 audit. Rough Rock Community School Board and Administration are currently working to revise the Policies and Procedures Manual which was last updated in 2014. A corrective action plan for the finding from the school 2017-18 audit was set to be completed by December 31, 2019, but the process was delayed due to the RRCS Business Office correcting and bringing accounting information current from previous years. A plan to update the policies and procedures by December 31, 2019 was also delayed because staff involved in the process were placed on administrative leave, and the Business Manager was on leave in December for a family emergency.

RRCS staff is continuously provided training that all supporting documentation is to be submitted and retained for all purchase transactions. More training on Federal Travel Regulations and procurement processes will be provided during professional development days to continuing and new staff. The School has also continued the services of a CPA to ensure that the financial statements are free from misstatements.

Business Office personnel will acquire additional training as needed and train all staff in proper documentation and allowable/unallowable costs for each federal award. The Superintendent and Business Manager will monitor the expenditures for the ISEP 15 percent Special Education funds as well as the Special Education Cluster funds to ensure that the funds are expended in the year it was allotted.

Finding Number: 2018-002

<u>Program Names/CFDA Titles:</u>	<u>CFDA Numbers:</u>
Indian School Equalization Program	15.042
Administrative Cost Grants Indian Schools	15.046
Indian Child and Family Education	15.043
Title I Grants to Local Educational Agencies	84.010

Status: Fully corrected.

**ROUGH ROCK COMMUNITY SCHOOL
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2019**

Status of Findings and Questioned Costs Related to Federal Awards

Finding Number: 2018-003

Program Names/CFDA Titles:	CFDA Numbers:
Indian School Equalization Program	15.042
Administrative Cost Grants Indian Schools	15.046

Status: Fully corrected.

Finding Number: 2018-004

Program Name/CFDA Title: Indian School Equalization Program

CFDA Number: 15.042

Status: Not corrected. See current year finding 2019-002.

Planned Corrective Action: The Human Resources Department has been under new management for two years now. Prior, the School had a Technician who did not have the experience. The Human Resources Manager was hired in August 2018. The prior employee did not have the appropriate experience and did not have the certification to conduct the proper adjudication processes. Currently, the Human Resources Manager has over nine years experience and possesses to appropriate certification to complete and certify the proper background check processes. The department, with a team of administrators, supervisors, teachers, and classified staff, have reviewed the current personnel policy manual, thus have made some recommended amendments and additions. Moving forward, newly recommended hires to the School Board will have all background checks completed, and the applicants' packets will be shared with the Board to exhibit completion prior to the Board's approval for hire. Applicants with non-completed background checks will not be provided and recommended for hire until all background checks have been completed and cleared. The Human Resources Manager has been in collaboration with the Department of Dine' Education to ensure all Board members have their proper and required background checks completed.

**ROUGH ROCK COMMUNITY SCHOOL
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2019**

Status of Findings and Questioned Costs Related to Federal Awards

Finding Number: 2018-005

Program Names/CFDA Titles:	CFDA Numbers:
Indian School Equalization Program	15.042
Administrative Cost Grants for Indian Schools	15.046

Status: Not corrected. See current year finding 2019-004.

Planned Corrective Action: Management concurs with finding 2019-004 and also as a repeat finding from the school 2017-18 audit. As stated in 2019-001, Rough Rock Community School Board and Administration are currently working to revise Policies and Procedures Manual which was last updated in 2014. A corrective action plan for the finding from the school 2017-18 audit was set to be completed by December 31, 2019, but the process was delayed due to RRCS Business Office correcting and bringing accounting information current from previous years. A plan to update the policies and procedures by December 31, 2019 was also delayed because staff involved in the process were placed on administrative leave and the Business Manager was on leave in December for a family emergency.

Finding Number: 2018-006

Program Names/CFDA Titles:	CFDA Numbers:
Indian School Equalization Program	15.042
Administrative Cost Grants for Indian Schools	15.046

Status: Partially corrected. See current year finding 2019-003.

Planned Corrective Action: Management acknowledges finding 2019-003 and as a repeat finding from the school year 2017-18 audit. In fiscal year 2018, RRCS did not have a Business Manager; therefore a consulting firm was overseeing the Business Office along with a Business Technician. The high staff turnover in the Business Office has put increased burden on business operations. With the lack of a Business Manager, data entry errors and cost coding errors into the ABILA MIP Fund Accounting software program resulted in the lack of journal entries to the general ledger and the lack of completed bank reconciliations. Internal controls were outlined in the School's policies and procedures; however, implementation was difficult due to the Business Office not having a Business Manager, Accounts Payable, or Payroll Technician. In July 2018, a Business Manager was hired. The first few months of school year 2018-19, Business Office operations focus was to bring accounting information current from the previous year. Bank reconciliations had to be brought current through June 2018. This took time, and the SF-425 was not submitted on time. Management has since then completed federal reporting requirements in a timely manner.

**ROUGH ROCK COMMUNITY SCHOOL
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2019**

Status of Findings and Questioned Costs Related to Federal Awards

Finding Number: 2018-006

With the completion of school year 2017-18, it was evident the School needed continued assistance of a CPA to ensure that the financial statements are free from misstatements. RRCS Administration will continue to monitor and review procedures to ensure that internal controls are in place and met, reporting completed and submitted when due, reconciliations are completed, accounting, financial, and budgetary information are accurate and complete according to generally accepted accounting principles. OMB Supercircular training was also planned for school year 2019-20; however, it has not taken place due to cancellations and travel restrictions, but RRCS will continue to look for future trainings.

As stated in Finding 2019-001, RRCS is currently working on updating its financial accounting policies and procedures. It will be the responsibility of the Business Manager and Superintendent to ensure that proper training is provided to key personnel and staff so that financial activities are properly recorded.

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School Data- Office of Educational Research and Statistics

Variables:

- Enrollment: 148 students
- Teacher count: 20 (K-12 grade)
- Attendance: (K-12) SY20-21 71%
- Graduation Rate (SY20-21): 82% graduate rate
- Proficiency for Dine Language Oral Fluency(SY 2018-2019): 1%
- Proficiency for Math (SY 2018-2019 PARCC Data): 1% (5th grade)
- Proficiency for English (SY 2018-2019 PARCC Data): 1% (3rd grade)
- Growth for Math (SY 2018-2019 PARCC Data): N/A
- Growth for English (SY 2018-2019 PARCC Data): N/A
- State Assessment SY 2019-2020 / SY 2020-2021: RRCS did not assess the PARC or the BIE Pearson ESSA assessment

School Data- Office of Educational Research and Statistics

9 variables: Teacher count - RRCS has 20 certified teachers for SY20-21

K-8 Grade -

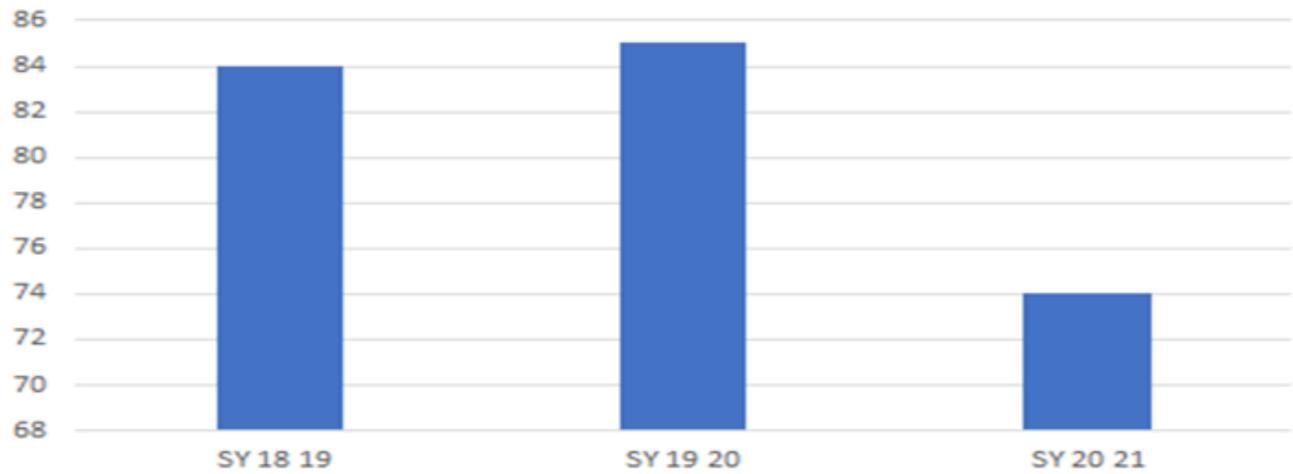
K-1 Immersion Teacher: 1
 Kindergarten Teacher: 1
 First Grade Teacher: 1
 Second Grade Teacher: 1
 Third Grade Teacher: 1
 Fourth Grade Teacher: 1
 Fifth Grade Teacher: 1
 Sixth Grade Teacher: 1
 Seventh Grade Teacher: 1
 Eighth Grade Teacher: 1
 PE Teacher - 1
 Dine Culture Teacher - 1

High School

Social Studies Teacher - 1
 English Teacher - 1
 Science Teacher - 1
 Math Teacher - 1
 Fine Arts Teacher - 1
 Dine Studies Teacher - 1
 PE Teacher - 1
 School Counselor - 1

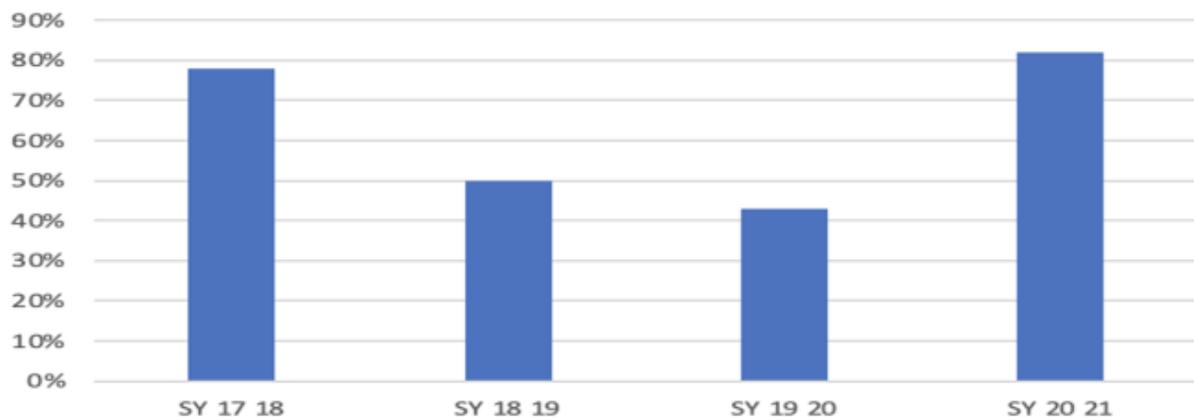
School Data- Office of Educational Research and Statistics

RRCS 3 Year K12 Attendance Rate



School Data- Office of Educational Research and Statistics

RRCS Graduation Rate (4 Year Trend)



School Data- Office of Educational Research and Statistics

Note: Rough Rock Community School did not complete any form of face to face testing due to the COVID 19 Pandemic: WIDA (AZELLA), BIE Pearson State Testing (3rd-11th), and NWEA assessments (BOY, MOY, EOY). Rough Rock Community School Short Cycle Academic Data for SY2020-2021: SchoolsPLP Lincoln Learning Curriculum K8 grade level short cycle assessments (ELA)

K8 ELA Short Cycle Assessments SPLP



School Data- Office of Educational Research and Statistics

Note: Rough Rock Community School did not complete any form of face to face testing due to the COVID 19 Pandemic: WIDA (AZELLA), BIE Pearson State Testing (3rd-11th), and NWEA assessments (BOY, MOY, EOY). Rough Rock Community School Short Cycle Academic Data for SY2020-2021: SchoolsPLP Lincoln Learning Curriculum 9-12 grade level short cycle assessments

SY 20-21 RRCS HS ENGLISH Department Short Cycle Assessment

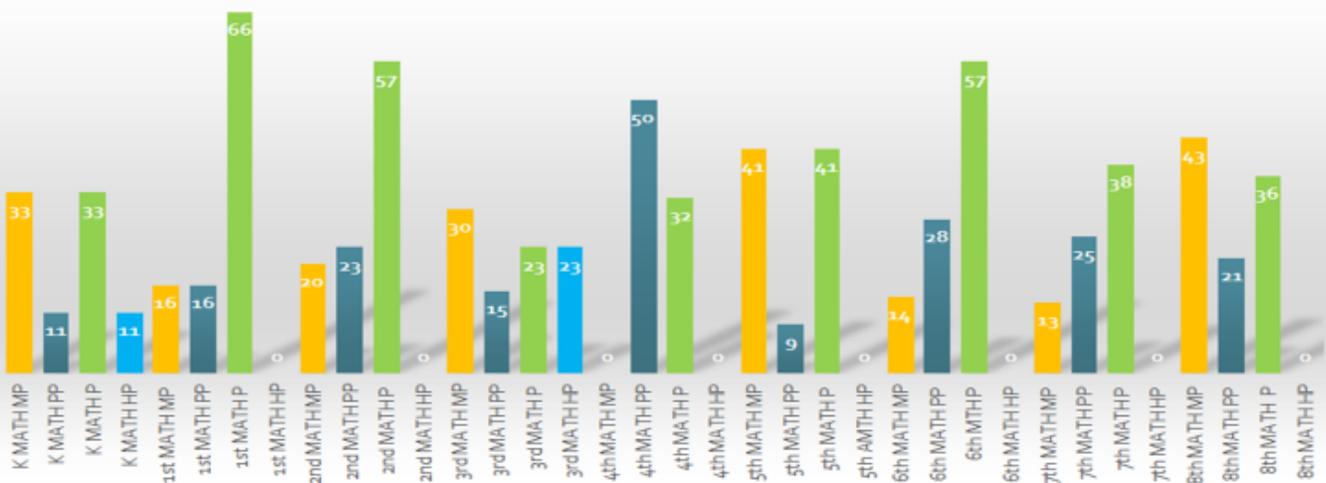


School Data- Office of Educational Research and Statistics

*NOTE: SY 2020-2021 - Rough Rock Community School did not provide face to face testing for students due to the COVID 19 Pandemic: BIE Pearson State test (3rd-11th), WIDA (AZELLA), and the NWEA assessment (BOY, MOY, EOY).

***Rough Rock Community School utilized the short cycle assessments with the SCHOOLSPLP Lincoln Learning Curriculum: K8 MATH

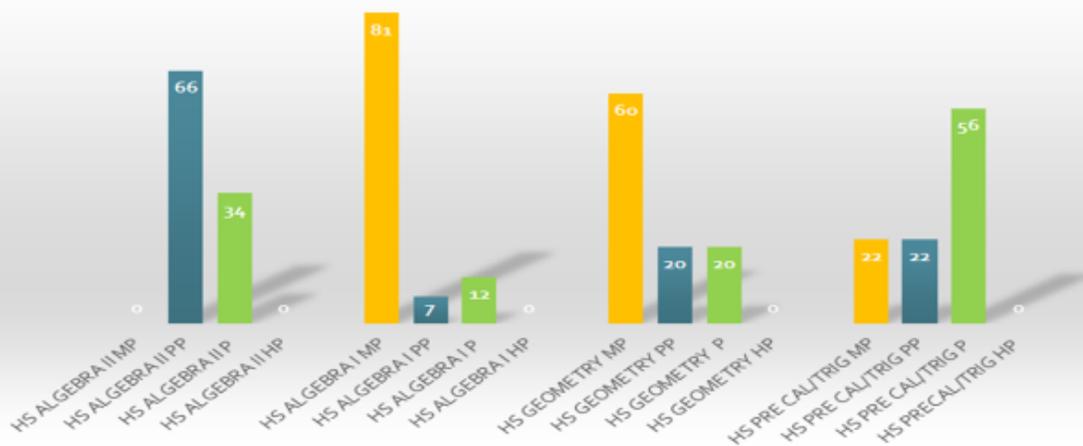
K8 MATH Short Cycle Assessments SPLP



School Data- Office of Educational Research and Statistics

Note: Rough Rock Community School did not complete any form of face to face testing due to the COVID 19 Pandemic: WIDA (AZELLA), BIE Pearson State Testing (3rd-11th), and NWEA assessments (BOY, MOY, EOY). Rough Rock Community School Short Cycle Academic Data for SY2020-2021: SchoolsPLP Lincoln Learning Curriculum 9-12 grade level short cycle assessments (HS MATH)

SY 20-21 HS MATH Short Cycle Assessment SchoolsPLP Data



School Improvement – Office of Diné School Improvement

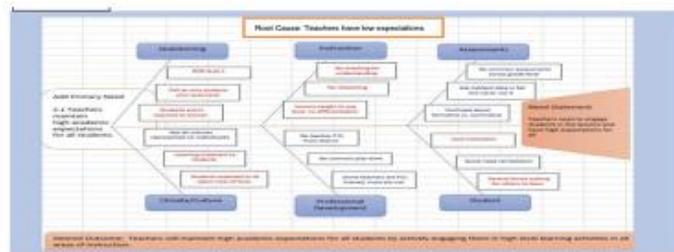
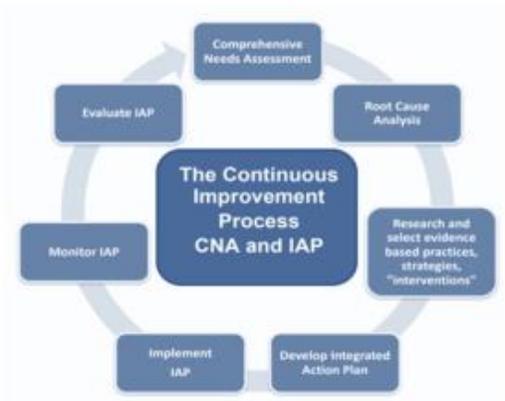
- o 1 page sheet with information below:
 - The establishment of the School Data Team- roles and responsibilities & timeline

School Improvement Team (SITeam): K, 3rd, 6th, HS: English, Math, Fine Arts, Parent, Counselor, Principal, School Improvement Consultant



School Improvement – Office of Diné School Improvement

- 1 page sheet with information below:
 - o The development of a School Improvement Plan:



After conducting the root cause analysis, the need statement is still too general...so digging deeper is necessary.



Tips

Letter grade (N/A): BIE does not issue letter grade for Tribally Controlled Schools. RRCS does not have a letter grade issued from the BIE.

School Improvement Office of Diné School Improvement

- A secured and complete ODSI Focal School Agreement:
 - RRCS School Board approved the ODSI Focal School Agreement on May 10, 2021 at their regularly convened board meeting.

School Improvement Office of Diné School Improvement

RRCS school accountability designation:

Rough Rock Community School Inc. was designated as a “**Comprehensive Support and Improvement (CSI)**” school during the SY 2018-2019 under the Bureau of Indian Education (BIE) due to low academic performance.

- Current Positive Trends:
 - Diné Studies Language Culture / NALI Oral Language Fluency partnership for improving oral Dine Language for K12 program
 - WestED partnership for Rapid School Improvement (SY20-21/21-22)
 - Solutions Tree partnership for Curriculum Design/Development, PLC Collaborative Culture development

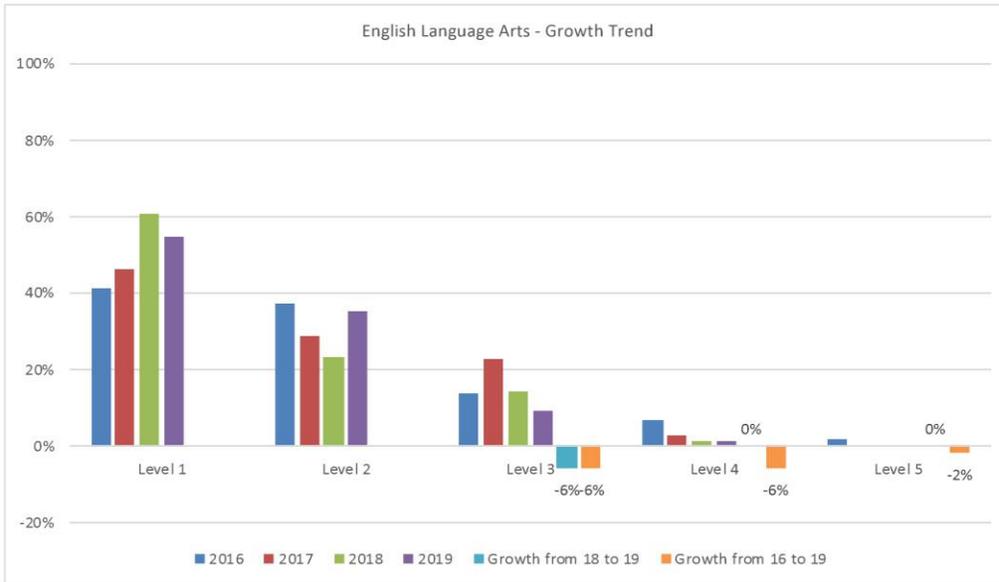
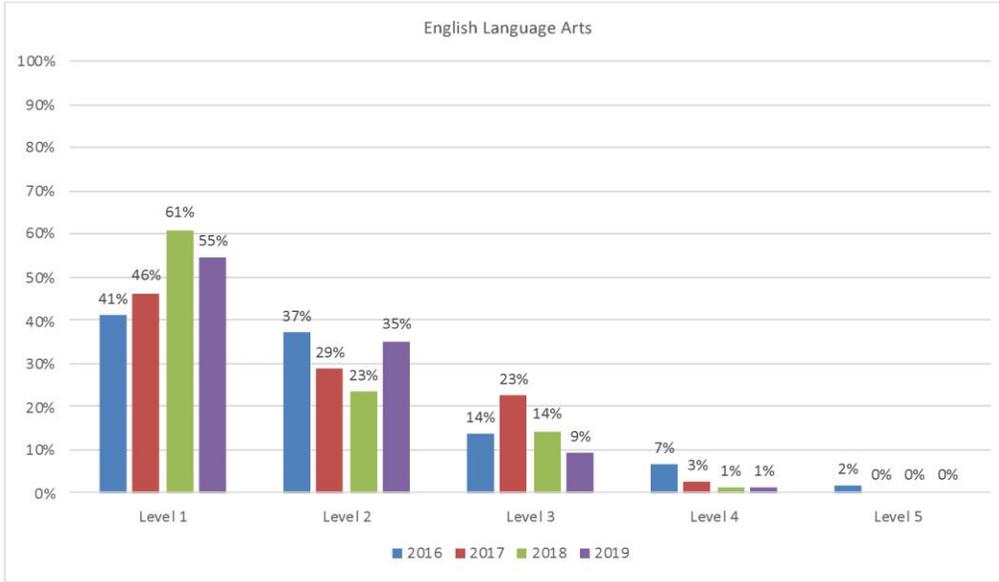


Navajo Nation Grant School Reauthorization—**Rough Rock Community School**
 Grade Level: *K-12* State Assessment: *PARCC*

Demographics:

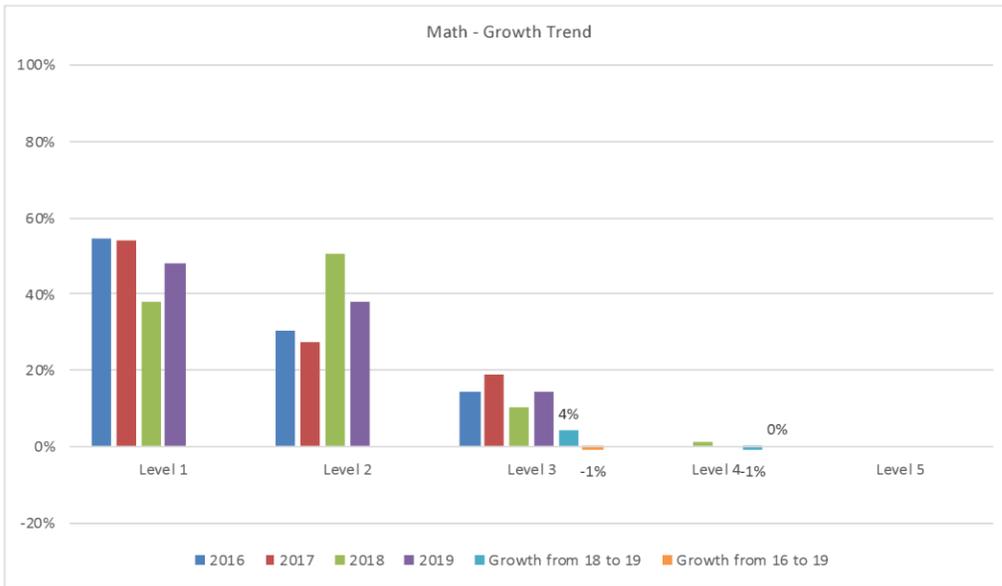
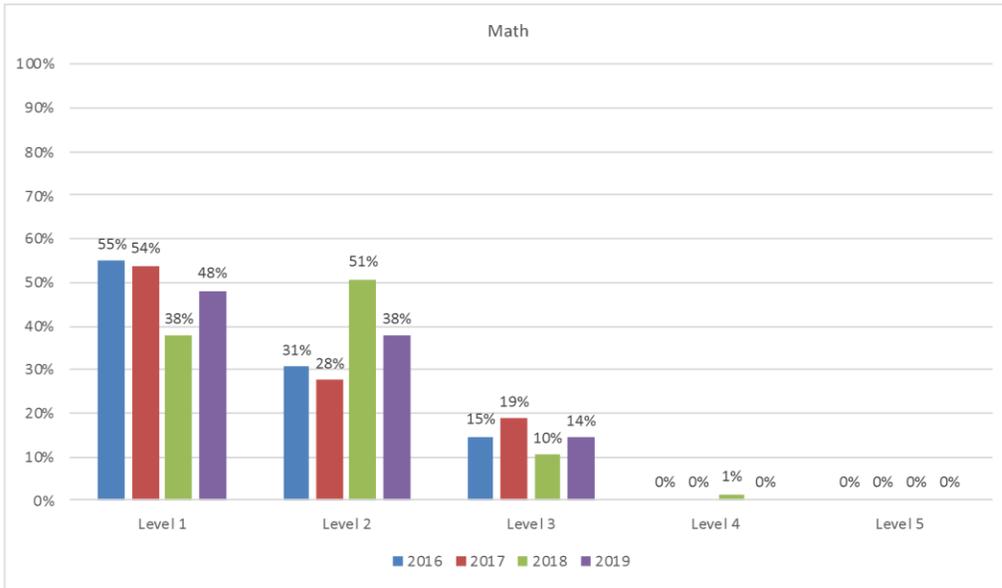
Enrollment: Attendance Rate: Drop Out Rate:
 Teacher Count: Graduation Rate:

English Language Arts - PARCC 2018-2019					
	# of Students Tested	Level 1	Level 2	Level 3	Level 4/5
All Students	77	42	27	7	1
Female	36	18	11	6	1
Male	41	24	16	1	0



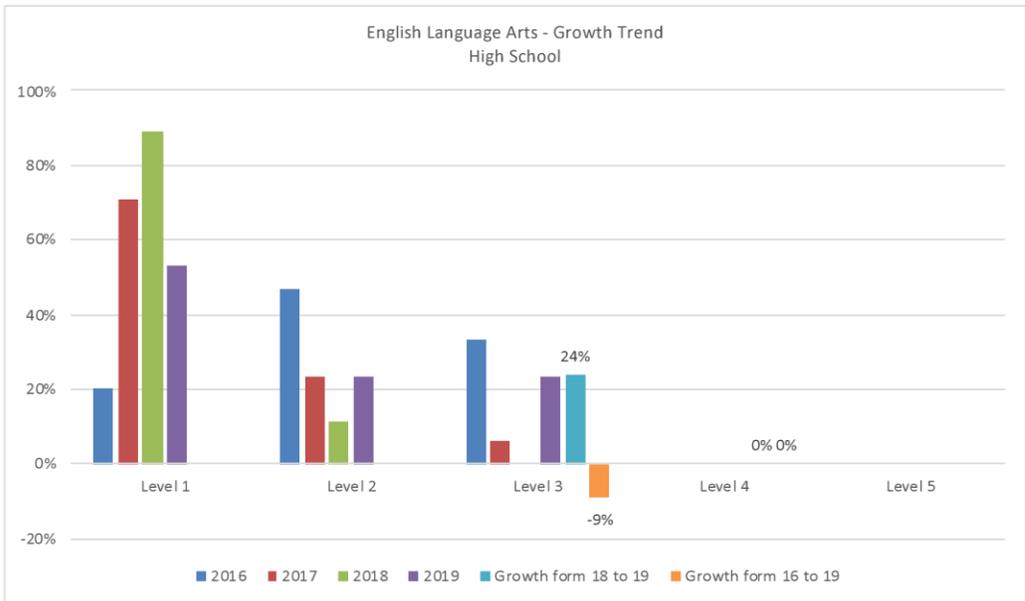
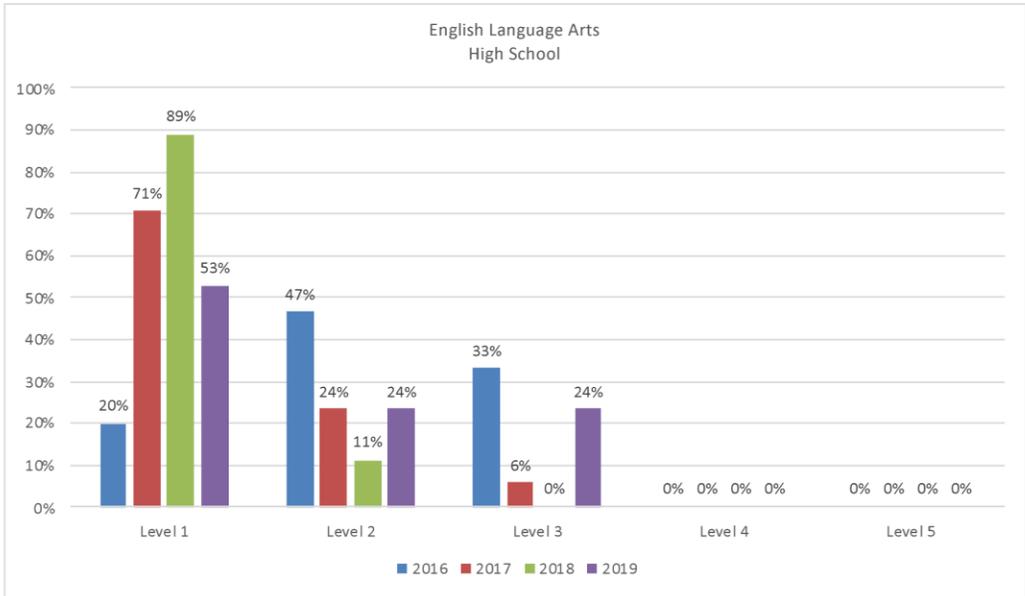
Math - PARCC 2018-2019

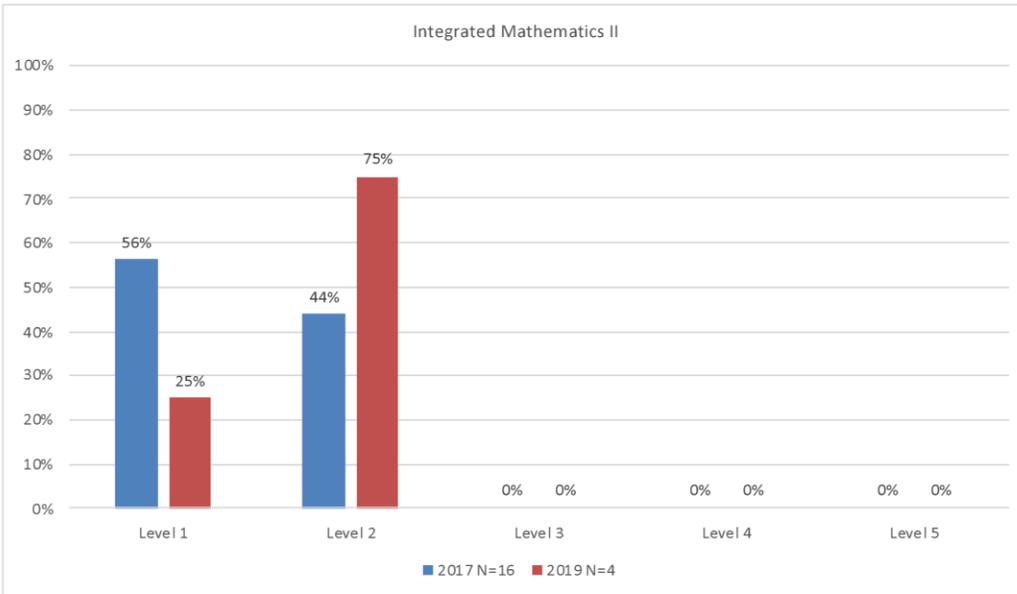
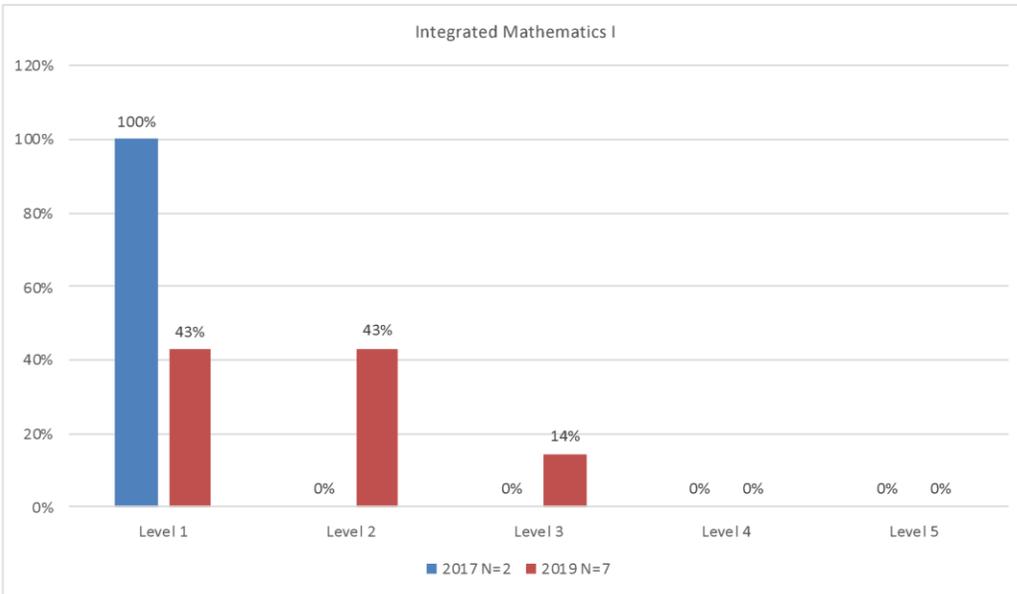
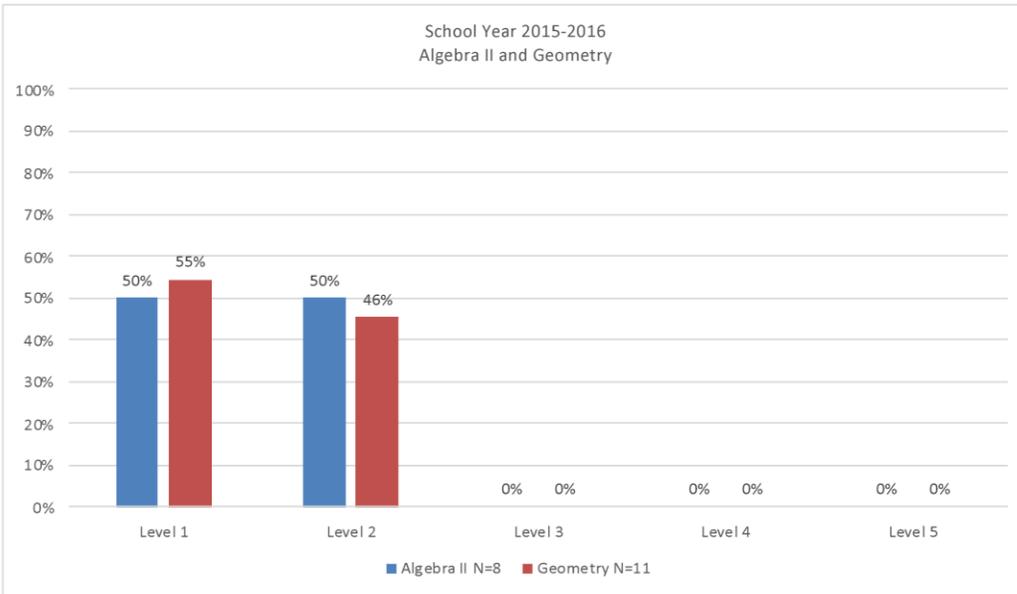
	# of Students Tested	Level 1	Level 2	Level 3	Level 4/5
All Students	77	37	29	11	0
Female	36	19	12	5	0
Male	41	18	17	6	0

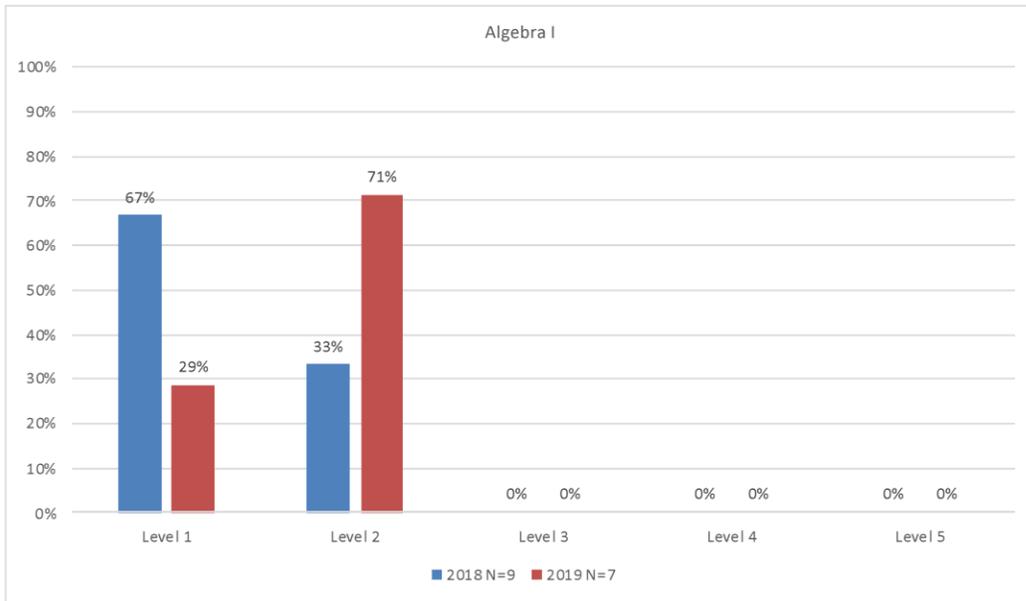


English Language Arts High School - PARCC 2018-2019

	# of Students Tested	Level 1	Level 2	Level 3	Level 4/5
All Students	17	9	4	4	0
Female	9	3	3	3	0
Male	8	6	1	1	0







Navajo Language and Culture Office of Standards Curriculum and Assessment Development

Rubric with level of where school is: **Teacher Certification**

Exemplary

All Diné Language and Culture teachers have Native American Language & Culture certificate on file with the school
Certificates / Endorsement - (type of certificate / endorsement):

RRCS Immersion Teacher (K-1 grade): Standard Elementary (K8) / Native American Language PreK-12 / Early Childhood (Expires 6/18/2030)

RRCS Diné Culture Teacher (K-6 grade): Native American Language PreK-12 / Navajo (expires 3/27/2031)

RRCS Diné Studies Teacher (7-12 grade): Emergency Certificate (6-12) / Substitute (PreK-12) / Approved area: Navajo (Expires 7/1/2021)

Navajo Language and Culture Office of Standards Curriculum and Assessment Development

Rubric with level of where school is: **Curriculum & Assessment**

- There is curriculum but it is not use in school wide, only the Navajo Culture & Language teacher (K-6), Immersion teacher (K-1), and Dine Studies teacher (7-12) are using it.

Emerging	Apprentice	Proficient
<p>3. Not familiar with Diné Culture Studies.</p> <p>4. Inconsistent schedule of language & culture study.</p>	<p>1. Diné Language & Culture Curriculum development in preliminary planning. Discussion and/or planning is taking place for assessment.</p> <p>2. Teacher given other duties Diné Language & Culture classes scheduled for 30 minutes or less daily.</p>	<p>2. Some materials & resources available to support the Diné Language & Culture program.</p>

Navajo Language and Culture Office of Standards Curriculum and Assessment Development

Rubric with level of where school is: **Professional Development for Navajo Language Development**

Emerging

1. Dr. Chee serves as consultant to the Diné Studies Navajo Language & Culture Program (Feb 2021-June 2021).
 - a. Mini workshops
 - b. Sings songs with us - implement into the lesson plans
 - c. Develop vocabulary words for K-12 students.

1. Attend the OSCAD virtual Professional Development.
 - a. Professional Development #3
 - b. Professional Development #4
 - c. Navajo Nation Seal of Bilingual Proficiency Assessment

**Office of Standards, Curriculum & Assessment Development (OSCAD)
Rubrics for Reauthorization**

Name of School: Rough Rock CS		Reauthorization Dates:		
CRITERIA	EMERGING	APPRENTICE	PROFICIENT	EXEMPLARY
<p>SCHOOL COMPREHENSIVE PLAN</p> <p>Dine Bizaad doo bee' o'ool'hill Bee' oonish</p> <p>Dine Values of Life Long Learning</p>	<p>None or very limited language/culture plans included in School Comprehensive Plan</p>	<p>Includes two of the following:</p> <ol style="list-style-type: none"> 1. Technical support/management; 2. School Board & Admin. & budget support; 3. Mission, vision, philosophy; 4. DODE & school collaboration; 5. Parent/community engagement; 6. Monitoring of language/culture implementation (learning, teaching effectiveness, curriculum); 	<p>Includes three of the following list:</p> <ol style="list-style-type: none"> 1. Technical support/management; 2. School Board & Admin. & budget support; 3. Mission, vision, philosophy; 4. DODE & school collaboration; 5. Parent/community engagement; 6. Monitoring of language/culture implementation (learning, teaching effectiveness, curriculum); 	<p>Full implementation of the following:</p> <ol style="list-style-type: none"> 1. Technical support/management; 2. School Board & Admin. & budget support; 3. Mission, vision, philosophy; 4. DODE & school collaboration; 5. Parent/community engagement; 6. Monitoring of language & culture implementation (learning, curriculum, teaching effectiveness);
<p>TEACHER CERTIFICATION</p>	<p>School is only aware of Native American Language & Culture Certification and not being addressed.</p>	<p>School is in contact with DODE for Dine Language & Culture certificate renewal and/or in recommendation process.</p>	<p>School has a plan in place to ensure the DL&C staff is/are being supported to obtain Native American Language & Culture Certification in a timely manner.</p>	<p>Dine Language & Culture Teacher(s) have current Native American Language & Culture certificate and opportunities are provided to maintain certificate.</p>
<p>CURRICULUM & ASSESSMENT</p>	<ol style="list-style-type: none"> 1. No school Dine DL&C curriculum & assessment; 2. No materials & resources to support the DL&C program. 3. Not familiar with Dine Content Standards (DCS). 4. Inconsistent schedule of language & culture study - teacher given other assignments; (e.g., substitute teaching, classes conducted only once a week or when convenient). 	<ol style="list-style-type: none"> 1. School DL&C Curriculum development in preliminary planning; Discussion and/or planning is taking place for assessment; 2. Few materials & resources to support the DL&C program. 3. Aware of DCS and is being implemented in DL&C classroom (s); 4. Inconsistent schedule of language & culture study. Teacher given other duties. DL&C classes scheduled for 30 minutes or less daily. 	<ol style="list-style-type: none"> 1. School Dine DL&C curriculum & assessment is planned and in the process of being implemented. 2. Some materials & resources; available to support the DL&C program. 3. Familiar with DCS and is being implemented in DL&C class(s) and across grade levels. 4. Consistent 45 minutes or more language & culture study daily schedule, teacher given responsibility to teach language & culture only). 	<ol style="list-style-type: none"> 1. Dine DL &C curriculum is fully implemented and integrated into all grade levels. 2. Local developed assessment is utilized to monitor student progress. 3. Ample supply of materials & resources across all grade levels. 4. Very familiar with DCS and are fully implemented across all grade levels. 5. Consistent 45 minutes or more of DL&C instruction daily for each grade level and/or implementation of language immersion program. 6. Teacher given responsibility to teach language & culture only.

<p>ASSESSMENTS</p>	<p>1. Did not administer DODE developed DL&C assessments. (DLPA, ONLC-T-SBA) 2. No evidence of data on file with OERS.</p>	<p>1. Administered only one of DODE developed DL&C assessment (DLPA or ONLC-T-SBA).</p>	<p>1. Administered both DLPA and ONLC-T-SBA and data on file with OERS.</p>	<p>1. Administered both DLPA and ONLC-T-SBA and data on file with OERS. 2. Use assessment data to inform, improve instruction and curriculum.</p>
<p>PROFESSIONAL DEVELOPMENT</p>	<p>1. School does not make attempt to provide Diné Language & culture professional development for staff. 2. Staff do not participate in OSCAD sponsored PDs and in other DL&C PD opportunities.</p>	<p>1. School makes limited attempts to provide language & culture PDs for staff. 2. Staff participation in OSCAD sponsored PDs and/or outside DL&C PDs is limited.</p>	<p>1. Schools encourages and provide opportunities to have school-initiated language & culture PDs for all staff. 2. Staff participate in outside DL&C trainings including OSCAD sponsored PDs.</p>	<p>1. Language & culture PDs included in overall school comprehensive plan and fully implemented. 2. Staff provided opportunities to share professional learning with the school and utilized by all stakeholders.</p>

<p>Documentation Review</p>	<p>1. Evidence (list reasons/ evidence why certain category from above was chosen)</p>
<p>School Action Plan</p> <ul style="list-style-type: none"> Technology support & management (School Board, Administration, Budget); Philosophy & Vision DODE & school collaboration; Monitoring of language & culture program. 	<p>Full detailed school reports and follow-ups information not available. The Rough Rock Community has no records of a school Diné Language/Culture program for the SY 2019-2020. The SY2020, beginning October 2020, OSCAD made several contacts but did not respond until December 18, 2021 to accept the Team meeting virtually. OSCAD is required to communicate with the schools continuously and provide technical assistance. The Team meeting: was conducted with the school principal, Diné Language/Culture instructor (DL/C) coordinator and the elementary school DL/C instructor. The high school DL/C instructor was not available. The participants involved in the Microsoft Team meeting on December 22, 2020 from 11:00 AM to 12:00 PM was the new staff member, DL/C program coordinator to the RRCS for this school year. The two instructors have been with the DL/C program before teaching the Immersion and high school. The meeting had an agenda to follow: Items included is attached. The DL/C Coordinator/elementary instructor. Immersion teacher and principal went over each item thoroughly. It appears the DL/C program is beginning to rebuild and in the improving phase with the program.</p>
<p>Certification</p> <ul style="list-style-type: none"> Native American Language & Culture Certification (NALCC) (everyone must have). 	<p>RRCS did not administer the Diné Language Proficiency Assessment developed by the Office of Standards, Curriculum & Assessment Development department in 2019. Therefore, there is no student data report. The current staff did not explain the reason for not administering the DLPA assessment. The school stated they will administer the assessment when it becomes available.</p>
<p>Professional Development</p> <ul style="list-style-type: none"> Teaching Strategies Diné Content Standards Curriculum mapping Assessment Types Lesson planning Material Development. 	<p>RRCS sponsored two Professional Develop, first one on September 17, 2020 and second one on November 19, 2020. RRCS did not participate in the two trainings. Information on the two professional development is disseminated to all schools numerous times. Future trainings will be communicated since OSCAD now has the contact piece to work with.</p>
<p>Curriculum/Assessment</p> <ul style="list-style-type: none"> Materials & Resources; Aligned to DSC; Daily Schedule. 	<p>OSCAD will continue to monitor the Diné Language & Culture program according to the protocol utilized for monitoring. Overall, RRCS is within the Emerging to Apprentices state.</p>
	<p>2. Recommendations: (conditions or sanctions, etc.)</p>

3. **Recommendation for Reauthorization: _____ Years**

4. **Commendation**

- Principal, Academic Administrator and DL & C Teacher are open to suggestions to improve the quality of the school Dine Language & Culture Program;
- DLC Program coordinator is reviewing the existing curriculum and will be revising to be in alignment with the DCS.
- The school is planning to restart the Language Immersion program.

Accreditation – Cognia Navajo Nation

Schools	Accreditation Status	Expiration Date of Accreditation	Notes
Rough Rock Community School Inc.	Accredited/ Accredited	6/30/2023	<p>*School has been working with NN Cognia office to become current with levels of accreditation and with new school district administration (October 2020). Accreditation Engagement Review is scheduled for SY 2022-2023.</p> <p>*RRCS School SITeam has been in attendance of professional development: 2/23/2021 – COGNIA Institute training: “Leading the Way Virtual Institute 2021”</p> <p>*RRCS is currently preparing / organizing folders for each priority area for accreditation.</p>

Accreditation – Cognia Navajo Nation

THIS IS TO CERTIFY THAT

Rough Rock Community School

has met the criteria for educational quality established by the Cognia Global Commission and is hereby presented this

Certificate of Accreditation

by the North Central Association Commission on Accreditation and School Improvement, the Northwest Accreditation Commission, and the Southern Association of Colleges and Schools Council on Accreditation and School Improvement.

Valid Through 6/30/2023



Mark A. Elger
Mark A. Elger, Ed.D.
President and CEO, Cognia



NNB



**CONDITIONS ON SANCTIONS
OF TRIBAL ORGANIZATIONS TO OPERATE
BIA-FUNDED EDUCATION AND EDUCATION-RELATED PROGRAMS**

The Navajo Nation hereby places the following conditions on its sanction of the **Rough Rock Community School, Inc. (School)** to enter into a grant with the Bureau of Indian Affairs for the educational programs specified herein.

- a) The Superintendent of Schools shall appoint one (1) staff person from the Department of Diné Education to provide guidance and assistance to the **Rough Rock Community School, Inc.**, in the preparation of the required documents for future reauthorization, compliance with federal and Navajo Nation laws, and, upon request, to assist with any negotiations of the terms and conditions of the proposed grant with the Bureau of Indian Affairs; and,
- b) The Department of Diné Education shall ensure compliance by the **Rough Rock Community School, Inc.** through monitoring and enforcement of the following mandatory provisions:
 - I) The **Rough Rock Community School, Inc.** shall, in the operation of the above noted programs, meet the academic standards established by the Navajo North Central Association, or such other minimum academic standards which may be established by the Navajo Nation Board of Education, and the BIA national dormitory criteria, if applicable; and,
 - II) The **Rough Rock Community School, Inc.** shall have conducted an annual audit, which meets the requirements of the federal Single Audit Act, and which shall be submitted on an annual basis to the Navajo Nation Department of Diné Education for verification and monitoring; and,
 - III) The **Rough Rock Community School, Inc.** shall respond to all audit findings and observations within ninety (90) days, including the development of a corrective action plan providing for the timely correction and/or resolution of all audit findings and observations, and shall provide a copy of its responses to the Department of Diné Education; and,
 - IV) The **Rough Rock Community School, Inc.** shall respond to any directives of the Navajo Nation Board of Education and/or Health, Education, and Human Services Committee related to this reauthorization within ninety (90) days, unless otherwise stated in the directive itself, and shall provide copies of its responses to the Department of Diné Education; and,

- V) In the event there is a proposed amendment to the grant that adds a program or deletes a program authorized by this resolution, the **Rough Rock Community School, Inc.** shall request authorization from the Navajo Nation Board of Education, submitted through the Department of Diné Education.
- c) The **Rough Rock Community School, Inc.** shall provide 2 copies of all grant-related documents as required by the *Grant/Contract Conversion and Maintenance Handbook* to the Navajo Nation Superintendent of Schools, Department of Diné Education, P.O. Box 670, Window Rock, Arizona 86515 by March 31st of the year in which its presentation to the Navajo Nation Board of Education for reauthorization is scheduled; and,
- d) The **Rough Rock Community School, Inc.** shall present its proposal for reauthorization of the grant to the Navajo Nation Board of Education, which shall have the authority to approve the grant proposal, require the addition and/or deletion of terms and conditions, or decline approval of the grant; and,
- e) The **Rough Rock Community School, Inc.** shall comply with all Navajo Nation laws, including, but not limited to 10 N.N.C. §1 et seq., and 11 N.N.C. §1 et seq., as well as applicable rules established by the Health, Education, and Human Services Committee of the Navajo Nation Council; and,
- f) The **Rough Rock Community School, Inc.** shall permit representatives of the Department of Diné Education, the Navajo Nation Office of the Auditor General, and the Navajo Nation Ethics and Rules Office to conduct monitoring visits and/or have access to all grant records upon request; and,
- g) The **Rough Rock Community School, Inc.** shall provide to the Navajo Nation Superintendent of Schools a written annual report regarding all activities conducted under the grant with the Bureau of Indian Affairs for the preceding school year. This report shall be submitted no later than September 30th of each year. In addition, the **Rough Rock Community School, Inc.** shall include within the report brief descriptions of any substantial administrative, financial, and programmatic problems encountered in its operations; and,
- h) No portion of any grant funds or interest generated from funds received by the **Rough Rock Community School, Inc.** from the Bureau of Indian Education, or any Navajo Nation general funds received directly or indirectly by the **Rough Rock Community School, Inc.** shall be used to fund litigation or administrative proceedings against the Navajo Nation, its officials, employees or entities; and,

- i) No portion of any grant funds or interest generated from funds received by the **Rough Rock Community School, Inc.** from the Bureau of Indian Affairs, or any Navajo Nation general funds received directly or indirectly by the **Rough Rock Community School, Inc.** shall be used for the purpose of providing insurance coverage for members of the school board. Provided, that a board member may participate in the **Rough Rock Community School, Inc.**'s insurance plan, if the school board agrees, and if the board member covers the entire amount of the insurance premiums from his or her personal funds; and,
- j) The **Rough Rock Community School, Inc.** shall, subject to the requirements of the federal Family Educational Rights and Privacy Act (FERPA) and other applicable federal and Navajo Nation laws, provide all requested educational records and personal information collected from students to the Navajo Nation, Department of Diné Education's Navajo Education Information System (NEIS); and,
- k) The Navajo Nation further conditions its sanction upon the agreement by the **Rough Rock Community School, Inc.** that the Navajo Nation through its Board of Education and Department of Diné Education retains the legal authority to monitor the operations and management of the **Rough Rock Community School, Inc.** to enforce Navajo Nation laws, to oversee the performance of the grant hereby approved, and to require that the **Rough Rock Community School, Inc.** make appropriate changes to the operation and management of the **Rough Rock Community School, Inc.** In the event that such changes involve revisions to the scope of the authorization of the **Rough Rock Community School, Inc.**, the Navajo Nation Board of Education, through the Department of Diné Education, shall review the issues involved and approve any revisions to the scope of the authorization; and,
- l) The sanction and authorization provided to the **Rough Rock Community School, Inc.** is strictly limited to that authority granted to operate certain specified education and education-related programs referred to in this resolution.



**ADDITIONAL CONDITIONS ON SANCTIONS
OF THE NAVAJO NATION BOARD OF EDUCATION**

The Navajo Nation Board of Education hereby places the following conditions on the **Rough Rock Community School, Inc.** in addition to the standard conditions and sanctions specified in “**EXHIBIT B.**”

The **Rough Rock Community School, Inc.** shall:

1. Provide a satisfactory report and corrective action plan to the Board, through the Department, regarding an action plan to address and resolve the significant deficiencies, material weaknesses, findings, qualified audits, and areas of non-compliance regarding their finances and audits as identified in “**EXHIBIT A-1.**” The school shall provide bi-monthly reports to the Department regarding how they will implement and adhere to a corrective action plan.
2. Provide a satisfactory report and corrective action plan to the Board, through the Department, regarding an action plan to address and resolve the accreditation deficiencies and findings identified in “**EXHIBIT A-4.**”
3. Future Request for Proposals (RFP’s) for Annual Audits shall include auditing of school board stipends and travel, and full compliance with the Navajo Nation Uniform Stipend and Travel Policy (ECD-35-10). The school shall also comply with the budgetary limits and Weighted Student Unit (WSU) limits that are required pursuant to ECD-35-10.
4. Submit SF-425 Quarterly Finance Reports to Bureau of Indian Education (BIE) and the Department of Diné Education (Office of Diné Accountability and Compliance).
5. Collaborate with the Office of Standards, Curriculum, & Assessment Development (OSCAD) to enhance the learning of Diné Language and Culture, develop and implement a strong Diné Language/Culture program for the students, including incorporation of the Navajo Nation’s Five (5) Content Standards (Diné Language, Culture, Government, History, and Character) aligned to the Common Core State Standards (CCSS) into the school’s curriculum. The school shall also participate in professional development and cluster training sessions provided by the Office of Standards, Curriculum, & Assessment Development (OSCAD). The school shall provide evidence/documentation that it is complying with this requirement.
6. Provide one (1) hour of daily instruction in Diné language and culture. The school shall provide evidence/documentation that it is complying with this requirement.
7. Administer the: 1) Oral Navajo Language & Culture-Test-Standardized Based Assessment (ONLC-T-SBA) (new standardized based assessment on Diné Content Standards); and 2) Diné Language Proficiency Assessment (DLPA). The school shall submit data to the Department of Diné Education,

Office of Educational Research and Statistics (OERS) and Office of Standards, Curriculum, & Assessment Development (OSCAD). The school shall also administer and submit data for other assessments that are developed by the Office of Standards, Curriculum, & Assessment Development (OSCAD). The school shall provide evidence/documentation that it is complying with this requirement.

8. Provide all requested educational records and data collected from students to the Navajo Nation, Department of Diné Education Office of Educational Research & Statistics (OERS).
9. Continue to follow all Navajo Nation, State and Federal Laws, Policies and Guidelines in operating the school.