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## OPVP PRIORITIZES CORRECTION OF VETERANS AFFAIRS HOUSING PROGRAM AUDIT FINDINGS

WINDOW ROCK - An internal audit of the FY 2014 and 2015 Department of Navajo Veterans Affairs Veterans (DNVA) Housing Program has uncovered past deficiencies and mismanagement of funds in building homes according to the Navajo Nation Office of the Auditor General (OAG).

"The Office of the President and Vice President (OPVP) is aware of the findings of the internal audit of DNVA. Our administration has whole heartedly prioritized our Navajo Veterans and the services afforded to them. These deficiencies stem from previous administrations and OPVP has been working to address these issues through the passing of the Navajo Veterans Act and the establishment of the Navajo Nation Veterans Affairs," President Russell Begaye said.

In June 2016, OAG contracted REDW, LLC of Albuquerque, N.M. to perform an internal audit on the DNVA Veterans Housing Program. The purpose was to see if the program was operating in a manner that would result in safe, quality and affordable homes for Navajo veterans.

The audit revealed eight audit findings, ranging from poor accountability of \$1.9 million of building materials, incomplete employee applications, hiring of non-veterans, ineligible veterans selected for homes, liability risks, veterans dissatisfied with completed homes, uninhabitable homes, and poor construction management.

On Dec. 12, 2016, Navajo Nation Vice President Jonathan Nez met with Auditor General Elizabeth Begay for the DNVA Veterans Housing Program internal audit exit conference.

Begay said the audit findings and OAG report would be reported to the Health, Education and Human Services Committee and the Budget and Finance Committee.

The audit was conducted on a sampling of the 34 homes from the 71 homes that were constructed, 18 from year one and 16 from year two. Because of the results, OAG is recommending

the remaining homes be inspected as a condition of the corrective action plan.

OAG has released the audit to the public which will be forward to the standing committees with oversight.

"The Department of Navajo Veterans Affairs audit revealed a lot of shortcomings. This is unacceptable and we will take the necessary steps to adjust through our corrective action plan," Vice President Nez said.

He noted that the Begaye-Nez administration is built upon four pillars that are the foundation for their term of office, with the top pillar focused on Navajo veterans.

On Oct. 1, 2016, the DNVA transitioned from Division of Human Services to Office of the President and Vice President. This change in hierarchy included a change of name to the Navajo Nation Veterans Affairs (NNVA).

The transition was the result of the successful passage of the Veterans Act in 2016, which included formation the Navajo Nation Veterans Advisory Council. The shift also increased the number of personnel under the OPVP and subsequently, the budget for the office, since NNVA staff were now included.

The internal audit serves as a guiding tool for OPVP to initiate and implement changes and address program obstacles.

The audit findings were accepted by NNVA on Dec. 27 and department will begin preparing a corrective action plan to address the results. Inspection reports on the homes sampled average to about 20 pages per home and include photos compiled by REDW.

Jamescita Peshlakai, executive staff assistant for OPVP, served as the veterans' liaison for the executive office. She has served as interim director of NNVA after Edsel Pete, former director, resigned in 2016.

"The Navajo Nation Veterans Advisory Council will have a big part in revamping the program. Veterans will be a part of the solution and they have an opportunity to address challenges in the housing report," Peshlakai said.

In 2016, Legislation No. 0006-16 was signed into law by President Russell Begaye and created the NNVA and NNVAC. The amendments to 2 NNC § 1703 and 1704 established a freestanding administration, with the executive director reporting directly to the president.

"Due to the reorganization from DNVA to the NNVA in the first quarter of FY 2017, a new executive director must be hired," Peshlakai said.

Hubert Smith, Eastern Agency Veterans Organization Commander, has been selected as interim director of NNVA, effective Jan. 9. Peshlakai no longer oversees the Veterans Administration.

President Begaye and Vice President Nez said that Smith will assist with selecting a permanent director.

"We will use the audit recommendations to strengthen the program," said President Begaye.

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