



JOE SHIRLEY, JR.
PRESIDENT

FRANK DAYISH, JR.
VICE PRESIDENT

THE NAVAJO NATION
DIVISION OF COMMUNITY DEVELOPMENT

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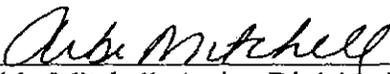
ARBIN MITCHELL
ACTING DIVISION DIRECTOR

STANLEY YAZZIE
DEPUTY DIRECTOR

DCDA-M06075

MEMORANDUM

TO : Isabelle Yazzie, Accounting Manager
Office of the Controller

FROM : 
Arbin Mitchell, Acting Division Director
Division of Community Development

DATE : January 11, 2006

SUBJECT : **Billing Issues with Business Unit #K036005**

Mr. Norbert Nez, Computer Operations Supervisor, DCD, met with Maggie Joe, Accountant, OOC, with the Contract Accounting section on December 20, 2005 to go over the account balance information for a report he was preparing for the Bill & Melinda Gates Foundation. Upon reviewing the FMIS report for transactions charged to the account, it was discovered that there were some payments made that should not have been charged to the account K036005. Accounts Payable staff retrieved the payment information for the payments in question and discovered that although the payment documentation specified a different account number to be charged, the company number keyed into the system effectively allowed the K036005 account to be charged for the transaction. In the interest of accuracy, the company number should have been derived from the actual account number that is specified in the payment documentation.

The common contract that is associated with all these purchases was the Onsat Master Agreement (Contract #C22052). Although initially, this contract was associated with the account K036005, the contract is a general contract with the Navajo Nation which allows any department to use it to conduct business with Onsat. Looking at several payment documents related to this contract, it appears that departments from various divisions are indeed using that contract for their own purposes.

It appears that every time contract C22052 is referenced, the account K036005 is automatically charged instead of the account that was originally referenced on the receiving record. This causes problems as the account K0360005 is erroneously charged for items that should have been

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charges elsewhere and eventually zeroes out the available balance or overcharges to the account. This potentially cause serious problems with our current legitimate purchase orders and the receipt of future funding from the Bill & Melinda Gates Foundation if not corrected immediately.

Please review all documentation for charges made to Account #K036005 since its inception to insure that all charges made to the account are legitimate. Furthermore, please do whatever is necessary to charge the appropriate accounts for the transactions and credit the K036005 account for proper amounts. Also, please disassociate the account K036005 from contract C22052 so that the problem no longer occurs. Finally, please ensure that purchasing and accounts payable staff are more accountable to make sure that payments are processed accurately.

Your assistance and prompt attention to this matter is greatly appreciated. If you have any further questions, please call me directly at x6810.

Attachments

- c. Mark Grant, Controller, OOC
- Martin Ashley, Assistant Controller, OOC
- Lena D. Arviso, Accounting Manager, OOC
- Janice Haskie, Supervisor, OOC
- Susanne D. Slim, Supervisor, OOC
- Maggie Joe, Accountant, OOC
- Brenda Holgate, Program and Projects Specialist, DCD
- Leslie Sandoval, Senior Office Specialist, DCD
- Norbert Nez, Computer Operations Supervisor, DCD

Job K036005 GATES FOUNDATION
Project

From Date 09/01/2003 Thru Date 10/25/2006

Cost Code	Cost Type	Description	L P M DECUM	Original Budget Amt	Revised Budget Amt	Actual Amount	Open Commit Amount	Budget Balance	% Revised Spent	% Revised Remaining
1710		Program Revenue	6 BN	929,798.00-	929,798.00-			929,798.00-		1.00
1717		Prg Rev Earned-Fed Non-	7 N			67,574.82-		67,574.82		
1719		Prg Rev Earned-Other	7 N			541,292.93-		541,292.93		
1710		Program Revenue	6 T	929,798.00-	929,798.00-	608,867.75-		320,930.25-	.65	.35
1705		CG Revenue	5 T	929,798.00-	929,798.00-	608,867.75-		320,930.25-	.65	.35
1700		External C/G Revenue Sourc	4 T	929,798.00-	929,798.00-	608,867.75-		320,930.25-	.65	.35
1000		Revenues	3 T	929,798.00-	929,798.00-	608,867.75-		320,930.25-	.65	.35
4230		Non Cap Computer Equip	7 N			21,201.45		21,201.45-		
4200		Non Capital Assets	6 T			21,201.45		21,201.45-		
4100		Office Supplies & Equipmc	5 T			21,201.45		21,201.45-		
4000		Supplies	4 T			21,201.45	GSA	21,201.45-		
6300		Technology	6 BN		270,716.00			270,716.00		1.00
6310		Computer Hardware R&M	7 N				270,713.20	270,713.20-		
6300		Technology	6 T		270,716.00		270,713.20	2.80	1.00	0.00
6100		Plant, Property & Equipmc	5 T		270,716.00		270,713.20	2.80	1.00	0.00
6000		Repairs & Maintenance	4 T		270,716.00		270,713.20	2.80	1.00	0.00
6520		Consulting	6 BN	194,400.00	194,400.00			194,400.00		1.00
6530		Fees	7 N			194,400.00		194,400.00-		
6520		Consulting	6 T	194,400.00	194,400.00	194,400.00			1.00	
6510		Professional Services	5 T	194,400.00	194,400.00	194,400.00				
6940		Data Conv-Prof Svc	6 I N	285,716.00						
6900		Other Contractual Service	5 T	285,716.00						
6500		Contractual Services	4 T	480,116.00	194,400.00	194,400.00			1.00	
9020		Infrastructure	6 BN		4,300.00			4,300.00		1.00
9036		Communications	7 N			2,300.00		2,300.00-		
9020		Infrastructure	6 T		4,300.00	2,300.00		2,000.00	.53	.47
9001		Real Property	5 T		4,300.00	2,300.00	(1,500 + 1,000 + 300)	2,000.00	.53	.47
9140		Equipment	6 BN	449,682.00	460,382.00			460,382.00		1.00
9142		Equipment	7 N			390,466.30		390,466.30-		
9146		Computers	7 N			500.00	GSA 85,783.00	86,283.00-		
9140		Equipment	6 T	449,682.00	460,382.00	390,966.30	85,783.00	16,367.30-	1.04	.04-
9100		Personal Property	5 T	449,682.00	460,382.00	390,966.30	85,783.00	16,367.30-	1.04	.04-
9000		Capital Outlay	4 T	449,682.00	464,682.00	393,266.30	85,783.00	14,367.30-	1.03	.03-
2000		Expenses	3 T	929,798.00	929,798.00	608,867.75	356,496.20	35,565.95-	1.04	.04-
		GATES FOUNDATION	2 T				356,496.20	356,496.20-		
		Total:	1 T				356,496.20	356,496.20-		

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