

## Report in Brief

Date: December 2019  
Report No. A-06-18-07002

U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES  
**OFFICE OF INSPECTOR GENERAL**



### Why OIG Did This Audit

In December 2017, the Council of the Inspectors General on Integrity and Efficiency (CIGIE) issued a report that compiled the results of audits, evaluations, and investigations performed by numerous OIGs that had identified significant weaknesses affecting Federal programs serving American Indian and Alaska Native (AI/AN) communities.

Also in 2017, we requested that the U. S. Department of the Interior's (DOI) OIG and U.S. Department of Agriculture's (USDA) OIG participate with HHS OIG in a joint CIGIE initiative to audit Federal programs that serve AI/AN communities. As part of this effort, each participating OIG agreed to conduct audit work at the same Indian Tribe in Oklahoma, and each OIG would audit the specific program areas under its purview. Thus, we initiated an audit of the Head Start Program.

Our objective was to determine whether Seminole Nation of Oklahoma operated its Head Start Program and managed the funds in accordance with Federal requirements.

### How OIG Did This Audit

We reviewed \$222,730 of the Head Start costs that Seminole Nation claimed during the audit period, February 1, 2017, through January 31, 2018. We also reviewed written policies and procedures and assessed Seminole Nation's management of Head Start Program operations.

## Seminole Nation of Oklahoma Did Not Adequately Operate and Manage Its Head Start Program

### What OIG Found

Seminole Nation did not always operate its Head Start Program and manage its Head Start funds in accordance with Federal requirements and did not have effective controls and accountability over funds. Specifically, Seminole Nation did not have effective controls to restrict access to the accounting system, as some employees had access to modules not needed for their job functions and the accounting system access list included five former employees and two unidentified users. Seminole Nation also did not have effective controls to restrict access to executive signature stamps since the Principal Chief was not maintaining his own signature stamp. In addition, Seminole Nation did not allocate costs in proportion to the benefit received, did not provide adequate support for \$5,095 in expenditures, did not submit required Federal Financial Reports, purchased equipment that did not benefit the Program until after the grant year, and did not track administrative costs.

### What OIG Recommends and Seminole Nation's Comments

We recommend that Seminole Nation (1) implement controls and develop policies and procedures that restrict access to the accounting system and the executive signature stamps and (2) develop and implement policies and procedures regarding the purpose and use of the signature stamps. In addition, we recommend that Seminole Nation refund \$5,095 to the Federal government for the inadequately documented costs and strengthen existing controls to ensure that costs charged to the Head Start Program are properly supported with adequate documentation.

The report contains additional policy and procedural recommendations for Seminole Nation to operate its Head Start Program and manage the funds in accordance with Federal requirements.

In written comments on our draft report, Seminole Nation concurred with our findings and indicated it would take immediate action to remedy the deficiencies and create stronger and more reliable controls to keep the deficiencies from reoccurring.