



United States Department of the Interior

BUREAU OF INDIAN AFFAIRS
 Great Plains Regional Office
 115 Fourth Avenue SE
 Aberdeen, South Dakota 57401

IN REPLY REFER TO:
 Self Determination
 MC-206A
 SDO-L-13-027

NOV 15 2012

The Honorable Michael Jandreau
 Chairman, Lower Brule Sioux Tribe
 187 Oyate Circle
 Lower Brule, South Dakota 57548

Dear Chairman Jandreau:

This is reference to your Single Audit report for period ending September 30, 2011. The Office of Internal Evaluation and Assessment received the report on July 9, 2012.

The subject report contained two findings affecting the Bureau of Indian Affairs (BIA) program fund. Finding No. 11 – 4 involves the use of advanced Federal funds to cover operating expenditures. The questioned costs associated with this unsupported deferred revenue are calculated below.

Schedule of Findings

Finding No.	Page	Description	Repeat	Federal Award Finding	Significant Deficiency	Material Weakness	Questioned Cost
11-3	71	Eligibility	X	X		X	
11-4	72	Allowable Activities	X	X		X	\$2,641,354

Schedule of Deferred Revenue Deficits

	Total Governmental Funds (page 6)
Pooled cash and cash equivalents	\$48,540
Non-pooled cash and cash equivalents	233,693
Non-pooled cash and cash equivalents-restricted	4,771,728
Investments	21,517
Total Cash Equivalent	\$5,075,478
Less: Deferred Revenue	7,716,832
Deferred Revenue Deficits	\$2,641,354

Please provide a detailed corrective action response to this office no later than **November 21, 2012**. Our primary concern is the questioned cost amount. If you could provide a listing of the accounts that caused the deferred revenue deficit and a statement certifying that these funds have since been replaced then we could reinstate the questions costs. Our response is due immediately to the Office of Internal Evaluation and Assessment which necessitates the short deadline.

If you have any questions in regard to this matter or require technical assistance, please contact our office immediately. I may be contacted at (605) 226-7426.

Sincerely



Krissanne R. Stevens
Awarding Official

cc: Superintendent, Lower Brule Agency