

The Chippewa Cree Tribe of the Rocky Boy's Reservation

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CHIPPEWA CREE TRIBE- PRESS RELEASE November 30, 2018

The Office of Inspector General completed an audit on FEMA funds awarded to the Chippewa Cree Tribe (Tribe). This press release is in response to the audit.

On June 15, 2010, severe storms caused widespread flooding and landslides within the exterior boundaries of the Rocky Boy's Indian Reservation. The Tribe's Rocky Boy Health Center was damaged beyond repair. The Tribe applied for assistance and qualified for Federal Funding to help rebuild a new health clinic. The Federal Emergency Management Agency (FEMA) awarded the Tribe funding for damages from the June 2010 flood disaster.

The Tribe requested \$22,887,947.93 of funding to help rebuild a new health clinic. The federal funding actually obligated under the FEMA project was substantially less than what the Tribe requested.

As of today, the Tribe contributed over \$42 million of tribal dollars (which includes insurance proceeds) in rebuilding from the June 2010 flood disaster, which included the shortfall of unobligated federal funding of FEMA projects, and the unexpected costs deemed unallowable.

In June of 2010, the Tribe lacked financial safeguards to protect assets, which led to fraud, waste, and mismanagement of federal funds by consultants and contractors. Upon discovery, the Tribe assisted the federal government in the conviction of these consultants and contractors related to the funding awarded under the FEMA projects.

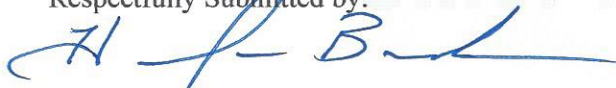
In response to the convictions, the Tribe implemented corrective measures to maintain adequate safeguards for all tribal operations and activities. The Tribe created a fiscal management policy in accordance with Generally Accepted Accounting Principles. The Tribe established a Procurement Department that oversees the purchasing of goods and services as well as the selection and engagement of professional and major contractual obligations. The Procurement Department ensures that our Tribes' procurement policy and applicable regulations are followed. Since 2010, the Tribe's financial reports and audits have improved tremendously.

The Tribe is pleased to report that the project to rebuild a new health clinic is completed. The Rocky Boy Health Center is operational and provides access to health care and offers a wide range of services within the Rocky Boy's Indian Reservation.

The Tribe continues to work directly with FEMA. FEMA will be assisting the Tribe in determining eligible costs and will assign a consultant to assist in accomplishing a successful closeout of the remaining two FEMA projects.

The Office of Inspector General will be releasing the Official Report to the public in the near future at: www.oig.dhs.gov

Respectfully Submitted by:



Chairman Harlan Baker