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54595 Johnson Road
Ashland, WI. 54806
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Ms. Kim Bouchard, Superintendent
Great Lakes Agency
Bureau of Indian Affairs
916 Lakeshore Drive West
Ashland, WI. 54806

March 19, 2010

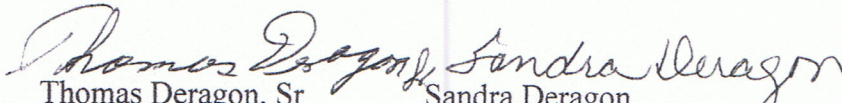
Dear Ms. Bouchard,

This letter is a follow up on our discussion relative to the Bureau of Indian Affairs' Secretarial responsibilities. The attached letter dated January 15, 2004, from former Superintendent Rosen, definitely implies that the Bureau of Indian Affairs is directly involved in the resolution of audit findings. It is interesting to note that although she states that the Tribe's FY2002 Single Audit did not contain any findings for the Bureau to resolve, there was a potential concern that needed addressing. This concern was in regard to the deferred revenue. She wanted a written response from the Tribe explaining the deferred revenue deficit and whether BIA advanced cash was being used for the intended purposes. Unfortunately, the BIA overlooked this potential concern as we pointed out the Deferred Revenue deficits ballooned to:

FY2005 \$2,646,850
FY2006 \$3,028,452
FY2007 895,986

As you may have noted, the Tribe has serious **unresolved** audit findings year after year since this letter dated 1/15/04. We realize that these audits were only recently completed however; that fact alone, should have given the Bureau cause for concern. Now that you are aware of these and other problems, when can we expect your office to address our concerns? Thank you in advance for your attention in this matter.

Respectfully,


Thomas Deragon, Sr Sandra Deragon
Bad River Tribal Member Bad River Tribal Member

Cc: Michael Wiggins, Bad River Tribal Chairman
Diane Rosen, Regional Director
Larry Echohawk, Assistant Secretary, Department of Interior
Ken Salazar, Secretary of Interior
Gerry Gidner, Regional Director, NIGC
Wizipen Garriott, Presidential Appointee
Earl Devaney, Executive Director, Office of Inspector General, US Dept. of Interior



United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

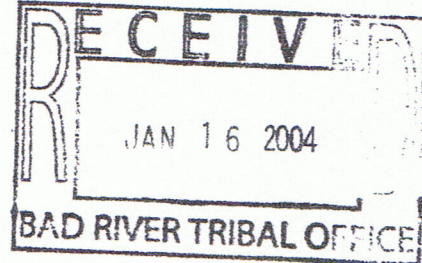
Great Lakes Agency
615 Main West
Ashland, Wisconsin 54806-0273

IN REPLY REFER TO:

Support Services

January 15, 2004

Honorable Donald Moore, Sr.
Chairman, Bad River Band of Lake Superior
Chippewa Indians
P.O. Box 39
Odanah, WI 54861



Dear Chairman Moore:

The Single Audit Report of the Bad River Band of Lake Superior Tribe of Chippewa Indians for the Fiscal Year Ended September 30, 2002, did not contain any findings for the Bureau to resolve. The Office of Audit and Evaluation did note a potential concern which needs addressing related to deferred revenue.

The combining Balance Sheet – All Special Revenue Funds – BIA Programs (Pg. 29) indicated deferred revenue balance of \$405,321, a cash balance of \$215,618 and a grant revenue receivable balance of \$121,207. This results in a deferred revenue deficit of \$68,496. The Combining Balance Sheet indicated a net Due From Other Funds balance of \$243,843. The General Fund cash balance was \$1,864,477. It appears the Tribe has sufficient funds in the General Fund to cover the deferred revenue deficit.

Please explain the deferred revenue deficit and address whether BIA advanced cash is being used for the intended purposes. We would appreciate your written response to the above finding by January 21, 2004. In the event that you are unable to send your written response by that date, please advise this Agency as soon as possible so that our Support Services staff may arrange to meet with your staff.

If there are any questions or concerns relative to the above matter, please contact either Susan Deragon or Michelle McCormick, Self-Determination Specialists in the Branch of Support Services at this Agency, telephone (715) 682-5802 or 682-4527.

Sincerely,

Diane K. Rosen

Acting Superintendent

Enclosure

cc: Janet Kozeneski, Accounting Manager, Bad River