

# OFFICE OF INTERNAL AUDIT AND ETHICS

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January 22, 2026

Executive Office  
Tribal Council  
The Eastern Band of Cherokee Indians  
Cherokee, NC

The Office of Internal Audit and Ethics conducted a follow up review on the Tribal Childcare audit report 25-011, dated October 14, 2025. The purpose of the follow up is to determine the status of the recommendations. The status is reported by management with one of the following categories:

- **Implemented** – adequately addressed by implementing corrective action that is in place and functioning
- **Partially Implemented** – initiated with 50% or more progress
- **Started** – initiated with less than 50% progress
- **Not Implemented** – no action taken or started
- **Withdrawn** – no longer exist because of changes in processes or the risk is accepted by management and approved by the Audit and Ethics Committee

Limited audit work was performed on select findings to verify management's assertion. If it could not be verified, the status was adjusted accordingly. The reported status of the **5** recommendations is as follows: **4 (80%) Implemented and 1 (20%) Partially Implemented**. The details of this follow up review can be found in the attached audit report summary.

The assistance of the Tribal Childcare staff is appreciated. Please do not hesitate to contact our office with questions.

Sincerely,

Sharon Blankenship, CIA, CGAP, CFE, LPEC  
Chief Audit and Ethics Executive

cc: Monique Taylor, Audit and Ethics Committee Chair  
Sky Sampson, Secretary of Community, Education, and Recreation Services  
Ernestine Driver, Director – Early Education



Tribal Childcare (25-011)

Operational Audit

October 14, 2025 Follow Up Date: January 22, 2025

**Background and Scope:**

The EBCI Tribal Childcare program – Qualla Boundary Head Start and Early Head Start (QBHS/EHS) – is responsible for providing early childhood education and comprehensive support services to eligible children and their families within the Qualla Boundary. Established in 1966 as part of the national Head Start initiative, the program aims to support low-income families by fostering self-esteem, goal setting, improving health and welfare, and building essential life skills for children and families. Head Start and Early Head Start services are provided to 166 enrolled children at the Big Cove Children’s Center and Dora Reed Children’s Center.

The internal audit focused on assessing key processes and internal controls to ensure compliance with Federal and State regulations and the program’s internal policies and procedures.

**Overall Conclusion:**

There are opportunities for improvement. REDW identified 5 observations.

**Initial Follow Up:**

4	80%	Implemented
1	20%	Partially Implemented Started Not Implemented Withdrawn
1	20%	Open Observations

Number by Risk	1	3	1
Risk Rating	High	Medium	Low

Observation	Recommendation	Action Plan	Risk	Implementation Status	Percent (%) Complete	Explanation
<p><b>Staff Training &amp; Certifications Documentation and Compliance</b> - There was no review control in place for management to periodically evaluate training records/background checks to ensure compliance with requirements.</p> <p>*5 background checks were either not completed before the start date (2 employees), completed outside the 5-year renewal window (2 employees), or lacked a documented date (1 employee).</p> <p>*For 7 employees, the on-boarding checklists were missing from the employee file, making it unclear if all on-board training was completed within the first two weeks of employment as required by policy.</p> <p>*For 2 employees, documentation supporting completion of mandatory trainings, including First Aid/CPR and fire safety and evacuation protocols, was not provided.</p> <p>*1 contracted personnel did have evidence that a background check had been completed.</p>	<p>Establish a systematic process for regularly reviewing staff and contracted personnel files to ensure all required documentation is present and up to date.</p> <p>Work with the ChildPlus software vendor to determine if configuration and/or reporting issues are impacting the accuracy of training records and ensure the issue is resolved timely to prevent errors in training reports.</p> <p>Ensure monthly in-service trainings are scheduled at required frequencies to prevent non-compliance with policy requirements.</p>	<p><b>Agree.</b> "A general checklist with the above mentioned training items will be cross checked with the Professional Development, Health Manager's sign in and certificates printed for training."  <b>Target Implementation date 11/24/25</b></p>	High	Implemented	100%	<p>"A background check tracking system is maintained in Excel to ensure compliance and timely monitoring. The system records each staff member's name, job title, date of hire, initial background check date, most recent background check date, and background check expiration date. This process allows for consistent documentation and ongoing oversight of staff clearance requirements. Weekly check ins with this system will be done, \.</p> <p>Onboarding:  Updated onboarding forms to a 2 week, and 6 week form overseen by the Manger of the employees service area to ensure completion by the required time lines. Once complete, the checklists and certificates are turned into the Office Administrator. The Education Manager will enter the Child Care Education Institute courses assigned during the 6 weeks of onboarding into ChildPlus. A report will be generated to show the completion dates and course titles for the employee. Courses will be required health and safety trainings, in addition to job duty specific selections. A paper copy of the onboarding assigned course certificates will be maintained while the employee onboarding is in process.  In Service or PreService used in place of the online courses will be documented in the same manner. Beginning in January, the Education Manager has begun scheduling new hires to come out of the classroom and report to work on the assigned online courses. This will ensure that staff are completing the assigned courses in a timely manner, and meeting the deadlines.  ChildPlus training in November increased the knowledge of key program staff to enter and create reports within Child Plus. The Professional Development module was updated based on the training, and will be utilized in a more efficient manner. A ChildPlus training report will be pulled for each staff member after program in service days, and provided to the Office Administrator for their employee file. The Education Manager or Professional Development Coordinator will enter trainings into ChildPlus, and pull the updated reports."</p>
<p><b>Children's Health Screenings Monitoring and Documentation</b> - QBHS/EHS was unable to produce documentation of the weekly or quarterly health screenings monitoring reports required by policy. As such, we could not determine whether on-going monitoring was performed or whether exceptions were identified and addressed on a timely basis.</p>	<p>Ensure that weekly and quarterly monitoring of health screenings is consistently conducted, and documentation maintained to demonstrate compliance with policy.</p> <p>Implement a process to ensure screenings occur at required frequencies after initial enrollment.</p> <p>Work with the ChildPlus software vendor to determine if configuration and/or reporting issues are impacting the accuracy of health screening records and ensure the issue is resolved timely to prevent errors in the health screening reports.</p>	<p><b>Agree.</b> "The Health manager will monitor the implementation of screening and that the proper information goes into the CHILD PLUS data system for any reports needed." <b>Target Implementation date 12/22/25</b></p>	Medium	Implemented	100%	<p>"weekly and quarterly reports will be recorded through CHILDPUS by the Health Manager to ensure adequate and consistent monitoring is done."</p>
<p><b>Safety Plans &amp; Drills Documentation and Review</b> - Testing of the 2024-2025 Emergency Drill Log &amp; Report determined:</p> <p>*Drill records consisted of summary documentation only; classroom-level or teacher-specific details, such as attendance tracking or individualized drill reports, was not available.</p> <p>*The third required tornado, shelter-in-place, and lockdown drills were not completed, nor was evidence provided to demonstrate completion of the required bus evacuations.</p> <p>*At the Big Cove center, fire drills for June and July 2025 were not conducted, and the January 2025 fire drill documentation was missing the specific day of the month that the drill was completed.</p>	<p>Ensure that each classroom and teacher complete and submit required individual drill documentation per policy – including attendance, analysis of drill timing, and specific drill outcomes – for all required safety drills.</p> <p>Establish a process to review, track, and file all reported drill documentation, confirming completion for each classroom and ensuring that all regulatory requirements are met. Results and any corrective actions should be reviewed and communicated at regular intervals to improve preparedness and staff response.</p>	<p><b>Agree.</b> "The HR/Admin Assistant, Health Manager will cross train on running monthly fire drills and any emergency drills on a schedule. Documentation will be kept at the front desk." <b>Target Implementation date 12/15/25</b></p>	Medium	Implemented	100%	<p>"We now have a maintenance worker who will also help ensure that all drills are being conducted- fire drills monthly and emergency drill such as tornado, shelter in place, lockdown will be done and recorded quarterly. The HR/Admin, Maintenance worker, Health Manager have all been crossed trained to conduct monthly fire drills and quarterly emergency drills. A classroom roster will be available with the drill log located at the front desk."</p>

EASTERN BAND OF CHEROKEE INDIANS  
OFFICE OF INTERNAL AUDIT AND ETHICS  
AUDIT REPORT SUMMARY

Observation	Recommendation	Action Plan	Risk	Implementation Status	Percent (%) Complete	Explanation
<p><b>Child Enrollment &amp; Eligibility Controls</b> - Testing over 10 enrollment files determined:</p> <p>*For 2 files, there was no evidence that the assigned Family Service Coordinator, or designee, nor Family Service Manager completed the required review of current family records as stipulated by policy.</p> <p>*For all 10 files, dual enrollment verification was not performed during the enrollment process as required by policy. Instead, staff rely on absence reports and parent communication after the program has started to identify potential dual enrollment situations.</p>	<p>Ensure that all enrollment and reenrollment files contain clear documentation of final review and approval by the Family Services Manager or designated Family Service Coordinator to comply with program policy and federal requirements. QBHS/EHS should consider adding spaces for staff initials and management review sign-offs on the enrollment checklist to help document who performed the reviews.</p>	<p><b>Agree.</b> "The FCP manager will draft a check list with the additional box for verification with an initial and management review signature." <b>Target Implementation date 12/15/25</b></p>	<b>Medium</b>	<b>Implemented</b>	<b>100%</b>	<p>"FCP Manager verified that a file can be cross checked and verified at the bottom of the checklist on every file."</p>
<p><b>Incident Reporting and Documentation Controls</b> - Testing of 5 incident reports determined for 4 incident reports, either the child's custodian's signature was present without a date, or documentation of both the custodian's name and signature was missing. As such, we could not confirm that notification to the custodian was completed within the required 24-hour timeframe as required by policy.</p>	<p>Revise incident reporting procedures and forms to ensure that staff record both custodian signatures and dates of notification and identify the notifier.</p>	<p><b>Disagree.</b> "Our policy does not require a signature but only notification. We cannot require a parent to sign only to notify. Our program will document that the form was shared with parent and they did not sign the form. Staff will document on the bottom of form that a refusal or decline to sign the form. Policy will be changed to be reflective of this addendum. Regulatory and Compliance come by monthly and pick up the incident reports for that month."</p>	<b>Low</b>	<b>Partially Implemented</b>	<b>&gt;50%</b>	<p>"The policy has to go through policy council for the reflected addendum which can be put on the January Policy council agenda. A new policy council had to be seated to go forward with new business for the new year."Next steps to implement your management action plan: "Implement the addendum to the policy after policy council approves-meeting set for January 28, 2026" <b>Target implementation date 1/28/26</b></p>