

OFFICE OF INTERNAL AUDIT AND ETHICS

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September 28, 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 IT Governance audit report 26-005, dated June 9, 2026. 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- **Withdrawn** – no longer exist because of changes in processes or the risk is accepted by management and approved by the Audit and Ethics Committee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 recommendation is as follows: **1 (100%) Partially Implemented**. The details of this follow up review can be found in the attached audit report summary.

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

Sincerely,

A handwritten signature in blue ink that reads "Blankenship".

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

cc: Monique Taylor, Audit and Ethics Committee Chair
Paxton Myers, Chief of Staff
Kevin Jackson, IT Director



IT Governance (26-005)
Information Technology
June 9, 2026 Follow Up Date: September 28, 2026

Background and Scope:

IT governance helps make sure technology supports the organization’s goals and that IT risks, security, projects, and performance are properly managed. At EBCI, these activities are currently handled through a mix of informal practices, management oversight, and daily operations.

Internal Audit reviewed this area in 2026 to see whether key IT governance processes are clearly defined, consistently followed, and properly documented.

Overall Conclusion:

There is opportunity for improvement. Protiviti identified 1 observation.

Initial Follow Up:

		<i>Implemented</i>
1	100%	<i>Partially Implemented</i>
		<i>Started</i>
		<i>Not Implemented</i>
		<i>Withdrawn</i>
1	100%	Open Observations

Number by Risk Risk Rating						
1 High Medium Low						
Observation	Recommendation	Action Plan	Risk	Implementation Status	Percent (%) Complete	Explanation
IT Governance activities are not formally defined - IT governance is mostly handled through informal and decentralized practices instead of a clear, consistent framework. Because roles, processes, metrics, and documentation are not fully defined, oversight is less consistent and may become harder to manage effectively over time.	Management should create a simple formal IT governance framework with clear roles, regular oversight, standard project tracking, and defined performance and risk reporting to improve accountability and consistency.	Agree. Response narrative: "Phase 1 A. Develop the following: IT Governance Charter Consisting of the following: Purpose, Authority, Membership, Roles & Responsibilities, Decision making authority, Meeting schedule, Reporting requirements, Alignment with Tribal strategic goals, Data sovereignty principles, B. Governance Committee w/quarterly meetings, Phase 2 Formalize Project Governance, create Project intake process and prioritization Matrix, Phase 3 Implement IT Risk Governance, Phase 4 Develop KPI Dashboard around all programs of the OIT Division." Target Implementation date 9/1/26	Medium	Partially Implemented	>50%	Completed tasks: "KPI Dashboards created, Project intake developed utilizing MS Planner to plan out, prioritize, inventory, manpower and overall project tracking, utilizing Gantt charts." Next steps: "Setting up schedule for governance committee and having 1st qtr meeting. Projected start date for meetings October." Target implementation date: 10/23/26