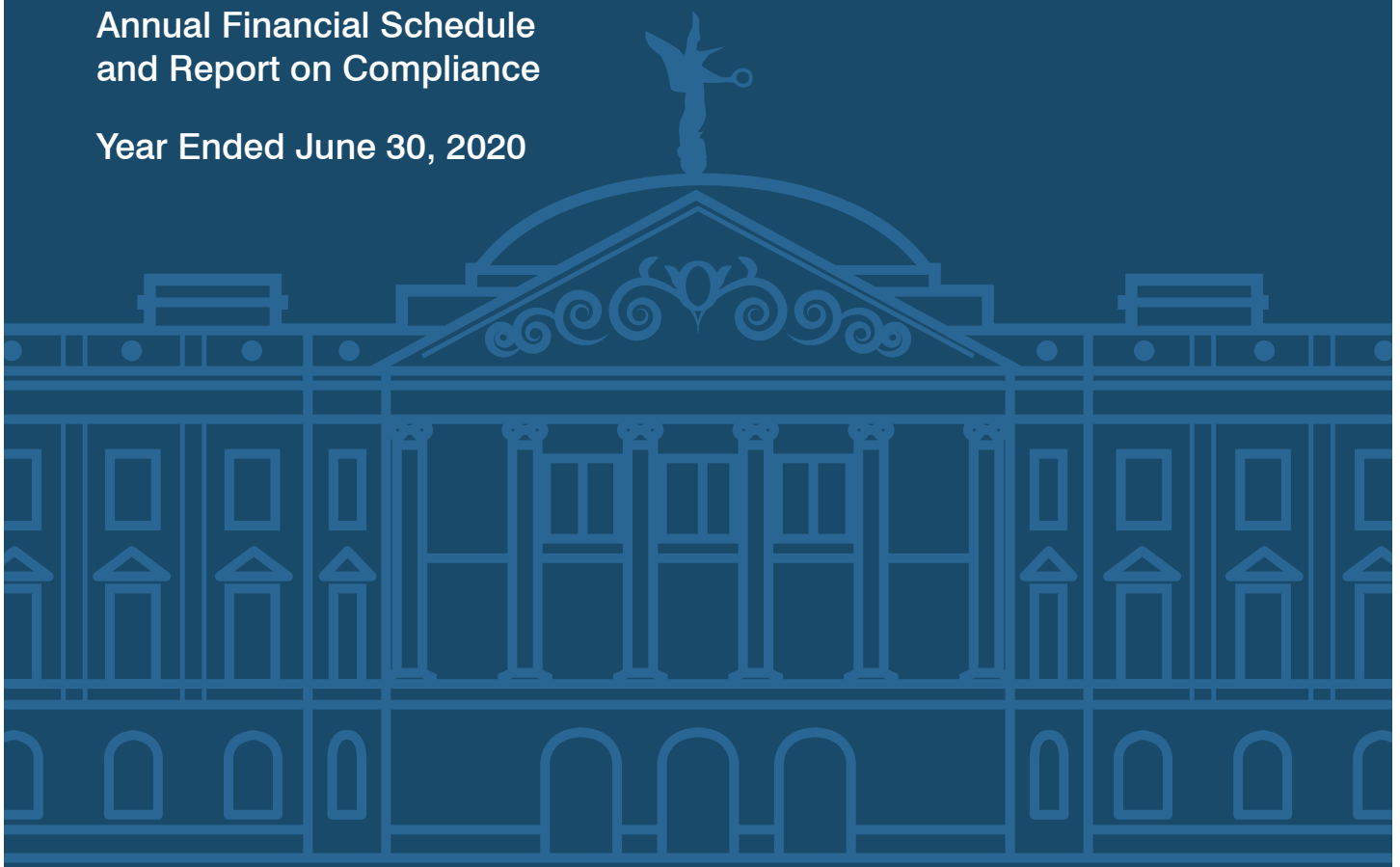


# Tohono O'odham Nation, Tohono O'odham Community College—State of Arizona Funding Compact

Annual Financial Schedule  
and Report on Compliance

Year Ended June 30, 2020



A Report to the Arizona Legislature

Lindsey A. Perry  
Auditor General





The Arizona Auditor General's mission is to provide independent and impartial information and specific recommendations to improve the operations of State and local government entities. To this end, the Office provides financial audits and accounting services to the State and political subdivisions, investigates possible misuse of public monies, and conducts performance audits and special reviews of school districts, State agencies, and the programs they administer.

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## Report on Compliance

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LINDSEY A. PERRY  
AUDITOR GENERAL

ARIZONA  
AUDITOR GENERAL

MELANIE M. CHESNEY  
DEPUTY AUDITOR GENERAL

## Independent accountants' report

Members of the Arizona State Legislature

The Honorable Doug Ducey, Governor

Ned Norris Jr., Chairman, Tohono O'odham Nation

Dr. Paul Robertson, President, Tohono O'odham Community College

We have examined the accompanying schedule of revenues, expenditures, and changes in fund balance of the Tohono O'odham Nation, Tohono O'odham Community College—State of Arizona Funding Compact, for the year ended June 30, 2020, and the related notes to the schedule. Tohono O'odham Community College's management is responsible for presenting this schedule based on the criteria described in Note 2. Our responsibility is to express an opinion on this schedule based on our examination.

We conducted our examination in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the schedule is based on the criteria described in Note 2 in all material respects. An examination involves performing procedures to obtain evidence about the schedule. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the schedule, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the schedule referred to above is presented based on the criteria described in Note 2 in all material respects.

*Donna Miller*

Donna Miller, CPA  
Director, Financial Audit Division

June 8, 2021

**Tohono O'odham Nation, Tohono O'odham Community College**  
**State of Arizona Funding Compact**  
**Schedule of revenues, expenditures, and changes in fund balance**  
**Year ended June 30, 2020**

**Revenues:**

Intergovernmental	\$214,341
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**Expenditures:**

Maintenance, renewal, and capital expenditures	<u>304,752</u>
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Revenues in excess of expenditures	(90,411)
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Fund balance, July 1, 2019	<u>273,015</u>
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Fund balance, June 30, 2020	<u>\$182,604</u>
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See accompanying notes to schedule.

# **Tohono O'odham Nation, Tohono O'odham Community College**

## **State of Arizona Funding Compact**

### **Notes to schedule of revenues, expenditures, and changes in fund balance**

#### **Year ended June 30, 2020**

#### **Note 1**

Arizona Revised Statutes (A.R.S.) §42-5031.01 allows transaction privilege tax revenues collected on the Tohono O'odham Nation to be transferred to Tohono O'odham Community College (College). The statute restricts the use of this revenue for the maintenance and renewal of buildings and infrastructure and capital construction of new buildings, structures, and site improvement expenditures of the College's campuses. It also requires that the State of Arizona and the Tohono O'odham Nation enter into a compact requiring the College to account for the use of these monies. In August 2017, the Tohono O'odham Nation entered into this compact. The College must reimburse the State of Arizona or the State may withhold future payments for any amounts not appropriately used for maintenance, renewal, or capital expenditures of the College's campuses.

#### **Note 2**

The schedule of revenues, expenditures, and changes in fund balance is presented based on the revenue and expenditure criteria described in A.R.S. §42-5031.01(A) and (C). Under this statute, the Arizona State Treasurer is required to transfer transaction privilege tax revenues collected on the Tohono O'odham Nation to the College monthly. In each fiscal year, no more than \$1.75 million or one-tenth of the transaction privilege tax revenues received from all sources located on the Tohono O'odham Nation, whichever is less, may be transferred. The State transferred \$214,341 in transaction privilege taxes to the College for the year ended June 30, 2020. Maintenance, renewal, and capital asset expenditures totaling \$304,752 include goods and services received during the year ended June 30, 2020, regardless of when payment was made.



LINDSEY A. PERRY  
AUDITOR GENERAL

ARIZONA  
AUDITOR GENERAL

MELANIE M. CHESNEY  
DEPUTY AUDITOR GENERAL

**Independent accountants' report on compliance with the  
Tohono O'odham Nation, Tohono O'odham Community College—  
State of Arizona Funding Compact**

Members of the Arizona State Legislature

The Honorable Doug Ducey, Governor

Ned Norris Jr., Chairman, Tohono O'odham Nation

Dr. Paul Robertson, President, Tohono O'odham Community College

We have examined Tohono O'odham Community College's compliance as to whether during the year ended June 30, 2020, transaction privilege taxes collected on the Tohono O'odham Nation and distributed by the Arizona State Treasurer to Tohono O'odham Community College (College) pursuant to Arizona Revised Statutes (A.R.S.) §42-5031.01 were used solely for the maintenance, renewal, and capital expenditures of the College as prescribed by A.R.S. §42-5031.01. The College's management is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the College's compliance with the specified requirements based on our examination.

We conducted our examination in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the College complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the College complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the College's compliance with the specified requirements.

In our opinion, the College complied, in all material respects, with the specified requirements referenced above during the year ended June 30, 2020.

*Donna Miller*

Donna Miller, CPA  
Director, Financial Audit Division

June 8, 2021

