NORTHERN ARAPAHO TRIBE

Governmental Department Financial Statements and Independent Auditors' Reports



December 31, 2024

Northern Arapaho Tribe
(Governmental Department)

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Northern Arapaho Tribe
(Governmental Department)

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Stauffer & ASSOCIATES PLLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Honorable Chairman and Members of the Business Council
Northern Arapaho Tribe
Ethete, Wyoming

Report on the Audit of the Financial Statements

Disclaimer of Opinions

We were engaged to audit the financial statements of the governmental activities, business- type activities, each major fund, and the aggregate remaining fund information of the Governmental Department (the Department) of the Northern Arapaho Tribe (the Tribe), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements as listed in the contents.

We do not express an opinion on the accompanying financial statements of the governmental activities, business- type activities, each major fund, and the aggregate remaining fund information of the Governmental Department of the Northern Arapaho Tribe. Because of the significance of the matters described in the Basis for Disclaimer of Opinions section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for audit opinions.

Basis for Disclaimer of Opinions

The Department has not performed account reconciliations for significant financial statement elements, including cash, accounts receivable, equity interest in component units, capital assets, accrued liabilities, transfers, and depreciation expense. As a result, we were unable to obtain sufficient appropriate audit evidence regarding the completeness, existence, and accuracy of these balances and related activities. In addition, due to inadequate accounting records, we were unable to obtain sufficient appropriate audit evidence to test the Department's accounting for leases and subscription-based information technology arrangements as required by Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, and GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. Consequently, we were unable to determine whether any adjustments might have been necessary to the financial position, changes in financial position, or, where applicable, cash flows of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information. These matters are pervasive to the financial statements as a whole and fundamental to users' understanding of the Department's financial position and results of operations. In addition, no Council meeting minutes were provided from January 1, 2024, through the report date. The minutes could have a significant impact on audit procedures and disclosures and we were unable to obtain a discussion or evaluation of potential pending or threatened litigation from 2 of the 5 outside legal counsel.

Report on the Audit of the Financial Statements (continued)

Emphasis of Matter

As discussed in Note 1, the financial statements of the Department are intended to present the financial position, changes in financial position and, where applicable, cash flows of only that portion of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Tribe that is attributable to the transactions of the Department. They do not purport to, and do not, present fairly the financial position of the Tribe, as of December 31, 2024, the changes in its financial position, or where applicable, its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit in accordance with GAAS and *Government Auditing Standards* and to issue an auditors' report. However, because of the matters described in the Basis for Disclaimer of Opinions section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for audit opinions.

We are required to be independent of the Tribe and to meet our other ethical responsibilities, in accordance with the ethical requirements relating to our audit.

Required Supplementary Information

Management has omitted management's discussion and analysis that U.S. generally accepted accounting principles require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our disclaimer of opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

We were engaged for the purpose of forming opinions on the financial statements that collectively comprise the Department's financial statements. The schedule of expenditures of federal and nonfederal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the basic financial statements. Because of the significance of the matters discussed in the *Basis for Disclaimer of Opinions* section above, it is inappropriate to, and we do not, express an opinion on the schedule of expenditures of federal and nonfederal awards.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2026, on our consideration of the Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Department's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Department's internal control over financial reporting and compliance.

Stanffer & Associates PLLC

Liberty Lake, Washington
September 29, 2026

Northern Arapaho Tribe
(Governmental Department)

Statement of Net Position **December 31, 2024**

	Governmental Department		
	Governmental Activities	Business-type Activities	Total
Assets			
Current Assets			
Cash and cash equivalents	$ 50,394,293	$ -	$ 50,394,293
Receivables			
Accounts, net	383,440	9,013	392,453
Intergovernmental	1,253,625	-	1,253,625
Prepaid expenses	14,124	-	14,124
Total Current Assets	52,045,482	9,013	52,054,495
Capital Assets			
Land and construction in progress	3,392,937	15,000	3,407,937
Buildings, land improvements, and equipment, net of accumulated depreciation	21,429,405	2,801,057	24,230,462
Total Capital Assets	24,822,342	2,816,057	27,638,399
Total Assets	76,867,824	2,825,070	79,692,894
Liabilities			
Current Liabilities			
Checks issued in excess of deposits	-	5,826,031	5,826,031
Accounts payable	1,539,627	102,829	1,642,456
Accrued liabilities	2,019,312	228,168	2,247,480
Internal balances	59,881	(59,881)	-
Unearned revenues	16,753,125	-	16,753,125
Notes payable			
Due within one year	820,601	-	820,601
Total Current Liabilities	21,192,546	6,097,147	27,289,693
Noncurrent Liabilities			
Compensated absences	826,966	-	826,966
Notes payable			
Due in more than one year	3,914,473	-	3,914,473
Total Noncurrent Liabilities	4,741,439	-	4,741,439
Total Liabilities	25,933,985	6,097,147	32,031,132
Net Position			
Net investment in capital assets	22,275,119	2,816,057	25,091,176
Unrestricted	28,658,720	(6,088,134)	22,570,586
Total Net Position	$ 50,933,839	$ (3,272,077)	$ 47,661,762

See accompanying independent auditors' report and notes to financial statements.

Northern Arapaho Tribe
(Governmental Department)

Statement of Activities **Year Ended December 31, 2024**

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental Department: Governmental Activities	Net (Expenses) Revenues and Changes in Net Position: Governmental Department: Business-type Activities	Net (Expenses) Revenues and Changes in Net Position: Governmental Department: Total
Governmental Activities							
General government	$ 9,675,798	$ 7,199,364	$ 4,372,568	$ -	$ 1,896,134	$ -	$ 1,896,134
Public safety	2,324,198	-	2,123,409	-	(200,789)	-	(200,789)
Community services	13,124,665	-	5,632,929	-	(7,491,736)	-	(7,491,736)
Health services	2,089,230	-	2,305,266	-	216,036	-	216,036
Education	768,843	-	710,557	-	(58,286)	-	(58,286)
Culture and recreation	853,401	-	853,401	-	-	-	-
Economic development	1,060,066	-	1,060,066	-	-	-	-
Interest on long-term debt	318,453	-	-	-	(318,453)	-	(318,453)
Total Governmental Activities	30,214,654	7,199,364	17,058,196	-	(5,957,094)	-	(5,957,094)
Business-type Activities							
Utility services	1,028,290	245,225	-	-	-	(783,065)	(783,065)
Total Business-type Activities	1,028,290	245,225	-	-	-	(783,065)	(783,065)
Total Governmental Department	$ 31,242,944	$ 7,444,589	$ 17,058,196	$ -	(5,957,094)	(783,065)	(6,740,159)
General Revenues							
Gaming revenue					467,058	-	467,058
Severance and royalty revenue					5,613,632	-	5,613,632
Other					203,120	-	203,120
Transfers					12,442,943	-	12,442,943
Total General Revenues and Transfers					18,726,753	-	18,726,753
Change in Net Position					12,769,659	(783,065)	11,986,594
Net Position, Beginning of Year, as previously reported					38,427,491	(2,489,012)	35,938,479
Restatement for Change in Accounting Principle (GASB 101) Compensated Absences					(263,311)	-	(263,311)
Net Position, Beginning of Year, as restated					38,164,180	(2,489,012)	35,675,168
Net Position, End of Year					$ 50,933,839	$ (3,272,077)	$ 47,661,762

See accompanying independent auditors' report and notes to financial statements.

Northern Arapaho Tribe
(Governmental Department)

Balance Sheet - Governmental Funds — December 31, 2024

	General Fund	Department of the Interior Funds	Department of the Treasury Funds	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	$ 33,165,155	$ 1,398,728	$ 5,534,459	$ 10,295,951	$ 50,394,293
Receivables					
Accounts, net	363,256	-	-	20,184	383,440
Intergovernmental	-	-	-	1,253,625	1,253,625
Due from other funds	954,433	-	-	-	954,433
Prepaid expenses	14,124	-	-	-	14,124
Total Assets	$ 34,496,968	$ 1,398,728	$ 5,534,459	$ 11,569,760	$ 52,999,915
Liabilities and Fund Balances					
Liabilities					
Accounts payable	$ 808,445	$ 307,614	$ 78,040	$ 345,528	$ 1,539,627
Accrued liabilities	2,014,986	-	-	4,326	2,019,312
Due to other funds	-	68,399	21,960	923,955	1,014,314
Unearned revenues	-	1,022,715	5,434,459	10,295,951	16,753,125
Total Liabilities	2,823,431	1,398,728	5,534,459	11,569,760	21,326,378
Fund Balance					
Nonspendable	14,124	-	-	-	14,124
Unassigned	31,659,413	-	-	-	31,659,413
Total Fund Balance	31,673,537	-	-	-	31,673,537
Total Liabilities and Fund Balance	$ 34,496,968	$ 1,398,728	$ 5,534,459	$ 11,569,760	$ 52,999,915

See accompanying independent auditors' report and notes to financial statements.

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

December 31, 2024

Total Fund Balances - Governmental Funds		$ 31,673,537
Capital outlays are reported in governmental funds as expenditures, and as such, do not appear on the balance sheet. However, the Department-wide statement of net position carries the historical cost and accumulated depreciation of capital assets. Net book value of governmental funds' capital assets on the statement of net position.		
Land and construction in progress	$ 3,392,937	
Buildings, land improvements, and equipment, net of accumulated depreciation	21,429,405	
		24,822,342
General long-term liabilities are not included in the governmental funds but are included in the Department-wide statement of net position as long-term obligations.		(4,735,074)
Some liabilities (compensated absences), are not due and payable in the current period and, therefore, are not reported in the funds.		(826,966)
Net Position - Governmental Activities		$ 50,933,839

See accompanying independent auditors' report and notes to financial statements.

Northern Arapaho Tribe
(Governmental Department)

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

Year Ended December 31, 2024

	General Fund	Department of the Interior Funds	Department of the Treasury Funds	Other Governmental Funds	Total Governmental Funds
Revenues					
Intergovernmental	$ -	$ 5,187,546	$ 2,544,346	$ 9,326,304	$ 17,058,196
Indirect income	1,169,155	-	-	289,471	1,458,626
Charges for services	6,996,360	203,004	-	-	7,199,364
Gaming revenue	467,058	-	-	-	467,058
Severance and royalty revenue	5,613,632	-	-	-	5,613,632
Other income	203,117	-	-	3	203,120
Total Revenues	14,449,322	5,390,550	2,544,346	9,615,778	31,999,996
Expenditures					
Current					
General government	9,326,157	-	-	1,143,148	10,469,305
Public safety	295,513	-	-	2,261,628	2,557,141
Community services	2,274,474	5,390,550	2,544,346	3,014,273	13,223,643
Health services	46,072	-	-	2,305,266	2,351,338
Education	217,778	-	-	652,367	870,145
Culture and recreation	853,401	-	-	-	853,401
Economic development	979,217	-	-	83,064	1,062,281
Debt service					
Principal	1,949,512	-	-	-	1,949,512
Interest	318,453	-	-	-	318,453
Total Expenditures	16,260,577	5,390,550	2,544,346	9,459,746	33,655,219
Excess of Revenues Over (Under) Expenditures	(1,811,255)	-	-	156,032	(1,655,223)
Other Financing Sources (Uses)					
Transfers in	12,598,975	-	-	-	12,598,975
Transfers out	-	-	-	(156,032)	(156,032)
Total Other Financing Sources (Uses)	12,598,975	-	-	(156,032)	12,442,943
Net Change in Fund Balances	10,787,720	-	-	-	10,787,720
Fund Balances, Beginning of Year	20,885,817	-	-	-	20,885,817
Fund Balances, End of Year	$ 31,673,537	$ -	$ -	$ -	$ 31,673,537

See accompanying independent auditors' report and notes to financial statements.

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

Year Ended December 31, 2024

Net Change in Fund Balances - Governmental Funds	$ 10,787,720
Amounts reported for governmental activities in the statement of activities are different because:	
Generally, expenditures recognized in the fund financial statements are limited to only those that use current financial resources, but expenses are recognized in the statement of activities when they are incurred. This is the amount by which accrued annual leave decreased from the prior year, which represents a future obligation of the Tribe.	32,427
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In the current year, these amounts consist of long-term debt retirement.	1,949,512
Change in Net Position of Governmental Activities	$ 12,769,659

See accompanying independent auditors' report and notes to financial statements.

Northern Arapaho Tribe
(Governmental Department)

Statement of Net Position - Proprietary Funds — December 31, 2024

	Enterprise Funds	
	Arapaho Utilities	Total
Assets		
Current Assets		
Receivables, net	$ 9,013	$ 9,013
Due from other funds	59,881	59,881
Total Current Assets	68,894	68,894
Noncurrent Assets		
Capital assets		
Land and construction in progress	15,000	15,000
Buildings, equipment, infrastructure, and land improvements	9,383,776	9,383,776
Less accumulated depreciation	(6,582,719)	(6,582,719)
Total Noncurrent Assets	2,816,057	2,816,057
Total Assets	$ 2,884,951	$ 2,884,951
Liabilities and Net Position		
Current Liabilities		
Checks written in excess of deposits	$ 5,826,031	$ 5,826,031
Accounts payable	102,829	102,829
Accrued liabilities	228,168	228,168
Total Current Liabilities	6,157,028	6,157,028
Net Position		
Investment in capital assets	2,816,057	2,816,057
Unrestricted	(6,088,134)	(6,088,134)
Total Net Position	(3,272,077)	(3,272,077)
Total Liabilities and Net Position	$ 2,884,951	$ 2,884,951

See accompanying independent auditors' report and notes to financial statements.

Northern Arapaho Tribe
(Governmental Department)

Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds

Year Ended December 31, 2024

	Enterprise Funds	
	Arapaho Utilities	Total
Operating Revenues		
Utility services	$ 245,225	$ 245,225
Total Operating Revenues	245,225	245,225
Operating Expenses		
Salaries	399,716	399,716
Fringe	100,278	100,278
Contractual services	4,253	4,253
Supplies, postage, and printing	256,352	256,352
Travel and training	49,898	49,898
Utilities	110,205	110,205
Repairs and maintenance	55,383	55,383
Miscellaneous	8,966	8,966
Rent and leases	43,239	43,239
Total Operating Expenses	1,028,290	1,028,290
Operating Loss/Change in Net Position	(783,065)	(783,065)
Net Position, Beginning of Year	(2,489,012)	(2,489,012)
Net Position, End of Year	$ (3,272,077)	$ (3,272,077)

See accompanying independent auditors' report and notes to financial statements.

Statement of Cash Flows - Proprietary Funds — Year Ended December 31, 2024

	Enterprise Funds	
	Arapaho Utilities	Totals
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows Provided By (Used In) Operating Activities		
Receipts for services	$ 183,090	$ 183,090
Payments from related parties	296,433	296,433
Payments to suppliers	(517,307)	(517,307)
Payments for salaries, wages, and related taxes	(499,995)	(499,995)
Net Cash Used In Operating Activities	(537,779)	(537,779)
Cash Flows Provided By Noncapital Financing Activities		
Change in checks in excess of deposits	537,779	537,779
Net Cash Provided By Noncapital Financing Activities	537,779	537,779
Net Increase in Cash and Cash Equivalents	-	-
Cash and Cash Equivalents, Beginning of Year	-	-
Cash and Cash Equivalents, End of Year	$ -	$ -
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:		
Operating loss	$ (783,065)	$ (783,065)
Adjustments to reconcile operating loss to net cash used in operating activities		
Increase in assets		
Accounts receivable	(2,254)	(2,254)
Increase (decrease) in liabilities		
Accounts payable	10,989	10,989
Accrued liabilities	(1)	(1)
Due to other	236,552	236,552
Net Cash Used in Operating Activities	$ (537,779)	$ (537,779)

See accompanying independent auditors' report and notes to financial statements.

NOTE 1 — ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The Northern Arapaho Tribe (the Tribe) is a federally recognized Indian Tribe located in the state of Wyoming on the Wind River Indian Reservation. The Tribe is governed by an elected six-member business council as enacted by Resolution 5886 and amended by Resolution 6663. The Tribe is the primary government based upon the fact that it is legally separate, its governing body is separately elected, and it is fiscally independent to other governments.

The Tribe provides general government, public health and welfare, public safety, education, public works, culture and recreation, economic development, social, and health services for the benefit of the members.

Reporting Entity

The accompanying financial statements present only the Governmental Department of the Tribe.

Basis of Presentation

Governmental Department Financial Statements

The Governmental Department (Department) financial statements include the Department-wide and the fund financial statements. The focus is on the Department as a whole in the Department-wide financial statements, while reporting additional and detailed information about the Department's major governmental and business-type activities in fund financial statements.

Department-Wide Financial Statements

The Department-wide statement of activities presents a comparison between direct expenses and program revenues for each function of the Department's governmental activities. *Direct expenses* are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. *Program revenues* include (1) fines, fees, and charges to recipients for goods or services provided by various activities and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes and interest income, are presented as general revenues. Indirect expenses are allocated to programs/functions that they benefit. When both restricted and unrestricted resources are available for use, it is the Department's policy to use restricted resources first, and then unrestricted resources as they are needed.

Notes to Financial Statements

NOTE 1 — ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Basis of Presentation (continued)

Fund Financial Statements

The fund financial statements provide information about the Department's funds. Separate statements for each fund category - governmental, and proprietary - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds; each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

The Department does not include any fiduciary funds. The emphasis of fund financial statements is on major governmental and combined proprietary funds, each displayed in a separate column.

Governmental funds – Governmental funds are those through which most governmental functions of the Department are financed. The Department reports the following as major governmental funds:

- *General Fund* – The general fund is the Department's primary operating fund. It accounts for all governmental financial resources, except those required to be accounted for in another fund.

- *Department of the Interior Funds* – The Department of the Interior Funds (BIA) fund accounts for all grant/contract revenues received from the U.S. Department of the Interior and are legally restricted to expenditures for specific purposes such as education and employment, government activities, and economic development.

- *Department of the Treasury Funds* – This fund accounts for the revenues and expenditures related to the Department's receipt of assistance funding as a result of the coronavirus and the related operational hardships the Department encountered. These funds were used to assist with ensuring that crucial administrative and operational activities were continued during the COVID-19 pandemic.

Other Governmental Funds – Each of the Department's remaining individual grant programs are considered separate funds and are collectively reported as other governmental funds. These funds account for governmental services funded primarily by federal and state grants and contracts.

NOTE 1 — ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Basis of Presentation (continued)

Fund Financial Statements (continued)

Included in this financial presentation are the Department's Proprietary Funds because they are part of its governmental activities:

Proprietary Funds – Proprietary funds account for those operations that are financed and operated in a manner similar to private business, where the determination of operating income, changes in financial position, and cash flows is necessary. These funds utilize the accrual basis of accounting. The Department's proprietary funds have elected to follow GASB pronouncements. The Department reports the following major proprietary funds.

- *Arapaho Utilities* – Arapaho Utilities provides utility services to tribal members and businesses on the reservation.

Basis of Accounting

The Department-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when liabilities are incurred, regardless of when the related cash flow takes place.

Proprietary funds *operating* revenues result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. *Operating* expenses of the funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as *nonoperating* revenues and expenses.

Nonexchange transactions, in which the Department gives (or receives) value without directly receiving (or giving) equal value in exchange, include sales and gas taxes, grants, entitlements, and donations. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which eligibility requirements have been satisfied.

NOTE 1 — ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Basis of Presentation (continued)

Basis of Accounting (continued)

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they are both measurable and available. The Department considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year end.

In determining when to recognize intergovernmental grants and contracts revenues, the legal and contractual requirements of the individual programs are used as guidance. Most grants and contracts require that monies be expended for a specific purpose before any amounts will be paid to the Department; therefore, revenues are recognized based upon the expenditures recorded. All other major governmental revenues are recorded when received, because they are either not available soon enough to pay liabilities of the current period or are not objectively measurable.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from long-term debt and acquisitions under capital leases are reported as other financing sources.

Unearned revenues arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenues also arise when resources are received before the Department has legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the revenue recognition criteria are met or when the Department has a legal claim to the resources, the unearned revenue is recognized.

Notes to Financial Statements

NOTE 1 — ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Basis of Presentation (continued)

Cash Equivalents

The Department has classified all highly liquid investments, with a maturity of three months or less when purchased, as cash equivalents. These investments are primarily composed of repurchase agreements, money market funds, demand deposits, and U.S. government securities that are readily convertible to a known amount of cash and carry an insignificant risk of change in value.

For purposes of the statement of cash flows, the Department considers deposits and highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Accounts Receivable

Receivables consist of amounts due from customers, individuals, and employees. Receivables are shown net of an allowance for doubtful accounts, as applicable. For the year ended December 31, 2024, the allowance for doubtful accounts was $0.

Interfund Receivables and Payables

During the course of operations, the Department has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the Department's financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Capital Assets and Depreciation

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the Department-wide financial statements. Capital assets are recorded at historical cost or estimated historical cost if actual historical cost is not known. Contributed assets, including those from the federal government, are recorded at estimated fair value on the date received.

Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Costs incurred for repairs and maintenance are expensed as incurred. Reservation lands and related resources are not capitalized because there is not a historical cost associated with these assets. The capitalization threshold for governmental activities is $5,000.

NOTE 1 — ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Basis of Presentation (continued)

Capital Assets and Depreciation (continued)

The Business Council has approved the use of portions of reservation land by Tribal enterprises. Tribal enterprises do not pay rent for the use of such land, and it remains in trust for the benefit of the Department.

Depreciation is computed using the straight-line method. The estimated useful lives used to depreciate assets, by asset class, are as follows:

Building and improvements	7-40 years
Furniture and fixtures	7-15 years
Machinery and equipment	3-10 years
Vehicles	3-7 years
Infrastructure	30-50 years

Compensated Absences

Tribal employees accumulate vacation leave hours for subsequent use or payment upon termination, death, or retirement. Sick leave is accumulated for subsequent use at the same rate as annual leave and has a max limit of 240 hours, it is not paid upon termination. Earned vacation pay up to a maximum of 240 hours may be paid upon termination of employment.

All accumulated vacation and sick pay is recorded as an expense and a liability in the proprietary fund financial statements at the time the liability is incurred. Governmental funds record accrued vacation and sick pay as an expenditure in the current year to the extent it is paid during the year. The remaining accumulated governmental funds vacation and sick pay is recorded as a liability.

Net Position

The Department-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as follows:

- Net investment in capital assets – This category reflects the portion of net position that is associated with capital assets net of accumulated depreciation and, when applicable, outstanding capital assets-related debt.

NOTE 1 — ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Basis of Presentation (continued)

Net Position (continued)

- Restricted net position – This category reflects, as applicable, net position of the Department subject to external restrictions.

- Unrestricted net position – This category reflects the portion of net position of the Department that is not restricted or invested in capital assets.

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Department is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- *Nonspendable* – This classification includes amounts that cannot be spent because they are either (a) in nonspendable form, for example inventories, prepaid amounts, and notes receivable or (b) legally or contractually required to be maintained intact.

- *Restricted* – This classification includes amounts that are restricted to a specific purpose. Fund balances are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

- *Committed* – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Department's highest level of decision-making authority. The Business Council is the highest level of decision-making authority for the Tribe that can, by adoption of a resolution, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (adoption of another resolution) to remove the limitation.

- *Assigned* – This classification includes amounts that are constrained by the Department's intent to be used for a specific purpose but are neither restricted nor committed and should be reported as assigned fund balance. Only Business Council Resolution may assign amounts for specific purposes. This classification also includes the remaining positive fund balance for all governmental funds except the general fund.

NOTE 1 — ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Basis of Presentation (continued)

Fund Balance Classification (continued)

- *Unassigned* – This classification includes the residual fund balance for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to a specific purpose within the general fund. The general fund is the only fund that reports a positive unassigned fund balance.

The Department's policy is to spend restricted amounts first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance are available. When an expenditure is incurred for which amounts in any of the unrestricted fund balance classification could be used, the assumed order of spending is first committed, assigned, and then unassigned.

Revenue Recognition

Governmental Funds – Revenues from federal grants, which are restricted as to the purpose of expenditure, are recognized as earned when the related program expenditures are incurred. Funds received but not yet earned are reflected as unearned revenues. Funds earned but not yet received are reported as intergovernmental receivables. All other major governmental revenues are recorded when received because they are either not available soon enough to pay liabilities of the current period or are not objectively measurable.

Proprietary Fund – Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The principal operating revenues of the Department's enterprises are charges to customers for sales and services and federal grants.

Budgetary Data

The Department utilizes budgets for use as operational tools in certain funds but does not adopt a legally appropriated budget as defined by GASB. Therefore, budgetary comparisons are not reported in these financial statements.

Notes to Financial Statements

NOTE 1 — ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Basis of Presentation (continued)

Interfund Transfers

Certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the governmental activities financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

Income Taxes

The Department is exempt from federal and state income taxes as a component of the Department.

Indirect Costs

Indirect costs represent recoverable overhead costs charged to federal and state programs in the General Fund in connection with administering and accounting for programs funded by federal and state grantors. The amount charged to each program generally is based on a negotiation with the Department of the Interior's Business Center. Some programs have statutory limitations, which restrict the indirect cost recovery to an amount less than the approved amount by the Department of the Interior.

Reimbursements received from grants and contracts are included in the general fund revenues as "Indirect Cost Recovery." The indirect cost rate applied is subject to any limitations specifically imposed by the grantor. During the contract period January 1, 2024 through December 31, 2024, the applied rate was 36.12% for ISDA 638 programs and 33.26% for all other programs.

NOTE 1 — ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Basis of Presentation (continued)

New Accounting Pronouncements

Effective for the fiscal year ended December 31, 2024, the Department implemented GASB Statement No. 100, *Accounting Changes and Error Corrections*, and GASB Statement No. 101, *Compensated Absences* (GASB 101). The implementation of GASB 101 resulted in a change in accounting principle for the recognition and measurement of compensated absences. As a result, the Department recognized additional liabilities for compensated absences that were not previously reported under the prior standard.

The following table reconciles the beginning net position as previously reported to the beginning net position as restated for the implementation of GASB 100 and 101:

	Governmental Activities
Net Position, Beginning of Year, as previously reported	$ 38,427,491
Restatement for Change in Accounting Principle (GASB 101) Compensated Absences	(263,311)
Net Position, Beginning of Year, as restated	$ 38,164,180

The following accounting pronouncements have been issued, but not yet implemented by the Department:

- GASB Statement No. 102, *Certain Risk Disclosures*.
- GASB Statement No. 103, *Financial Reporting Model Improvements*.
- GASB Statement No. 104, *Disclosure of Certain Capital Assets*.
- GASB Statement No. 105, *Subsequent Events*

The Department will implement the new GASB pronouncements, as applicable, in the fiscal year no later than the required effective date. Management is evaluating the impact of these GASB pronouncements on the Department's financial statements.

Notes to Financial Statements

NOTE 2 — CASH AND CASH EQUIVALENTS:

Custodial credit risk for deposits is the risk that in the event of a depository financial institution failure, the Department will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. Deposits and investments must be maintained to provide a sufficiently diversified portfolio and asset allocation to minimize the risk of losses, and operating funds invested in certificates of deposit should not exceed $100,000, including interest, at individual U.S. banks or savings institutions.

At December 31, 2024, the carrying amount of deposits of the Department was $44,568,262 (which includes checks in excess of $5,826,031 for business-type activities) and the bank balance was $45,611,940. Of that balance, $250,000 was covered by Federal Deposit Insurance Corporation, and the remaining $45,361,940 was collateralized in the name of the Tribe.

NOTE 3 — RECEIVABLES:

Receivables of the governmental funds and the governmental activities as of December 31, 2024, were as follows:

	Governmental Activities	Business-Type Activities	Total
Travel advances	$ 383,440	$ 8,139	$ 391,579
Other receivables	-	874	874
Total accounts receivable	$ 383,440	$ 9,013	$ 392,453

Notes to Financial Statements

NOTE 4 — CAPITAL ASSETS:

Capital asset activity for the year ended December 31, 2024, is summarized as follows:

Governmental Activities

	Balance 12/31/2023	Increases	Decreases	Balance 12/31/2024
Governmental Activities:				
Capital assets not being depreciated:				
Land	$ 3,392,937	$ -	$ -	$ 3,392,937
Construction in progress	-	-	-	-
Total capital assets not being depreciated	3,392,937	-	-	3,392,937
Capital assets being depreciated:				
Infrastructure	529,906	-	-	529,906
Buildings and improvements	23,048,809	-	-	23,048,809
Equipment	4,912,342	-	-	4,912,342
Vehicles	4,188,020	-	-	4,188,020
Total capital assets being depreciated	32,679,077	-	-	32,679,077
Less accumulated depreciation:				
Infrastructure	(169,797)	-	-	(169,797)
Buildings and improvements	(4,487,421)	-	-	(4,487,421)
Equipment	(3,289,067)	-	-	(3,289,067)
Vehicles	(3,303,387)	-	-	(3,303,387)
Total accumulated depreciation	(11,249,672)	-	-	(11,249,672)
Capital assets being depreciated, net	21,429,405	-	-	21,429,405
Governmental activities capital assets, net	$ 24,822,342	$ -	$ -	$ 24,822,342

Depreciation expense of $0 was allocated to the general government functional expense category on the statement of activities.

Business-Type Activities

	Balance 12/31/2023	Increases	Decreases	Balance 12/31/2024
Business-Type Activities:				
Capital assets not being depreciated:				
Land	$ 15,000	$ -	$ -	$ 15,000
Total capital assets not being depreciated	15,000	-	-	15,000
Capital assets being depreciated:				
Infrastructure	$ 7,262,626	$ -	$ -	$ 7,262,626
Buildings and improvements	554,768	-	-	554,768
Equipment	1,243,915	-	-	1,243,915
Vehicles	322,467	-	-	322,467
Total capital assets being depreciated	9,383,776	-	-	9,383,776
Less accumulated depreciation:				
Infrastructure	(4,769,597)	-	-	(4,769,597)
Buildings and improvements	(432,525)	-	-	(432,525)
Equipment	(1,058,129)	-	-	(1,058,129)
Vehicles	(322,468)	-	-	(322,468)
Total accumulated depreciation	(6,582,719)	-	-	(6,582,719)
Capital assets being depreciated, net	2,801,057	-	-	2,801,057
Business-type activities capital assets, net	$ 2,816,057	$ -	$ -	$ 2,816,057

NOTE 5 — LONG-TERM DEBT:

Changes in long-term liabilities for the year ended December 31, 2024, are as follows:

	Balance 12/31/2023	Increase	Decrease	Balance 12/31/2024	Current
Governmental Activities:					
Notes payable	$ 6,684,586	$ -	$ (1,949,512)	$ 4,735,074	$ 820,601
Total long-term debt	$ 6,684,586	$ -	$ (1,949,512)	$ 4,735,074	$ 820,601

	Balance 12/31/2023	Cumulative effect of GASB 101 Implementation	Net Change	Balance 12/31/2024	Current
Governmental Activities:					
Compensated absences	$ 596,082	$ 263,311	$ (32,427)	$ 826,966	$ -
Total long-term debt	$ 596,082	$ 263,311	$ (32,427)	$ 826,966	$ -

Governmental Activities

On July 31, 2019, the Tribe entered into a promissory note agreement with First Interstate Bank for $2,302,133 for a 7-year period. The note is payable in monthly payments of $33,248 for principal and interest. At December 31, 2024, the effective interest rate was 8.445%. The loan is secured by severance tax revenue.	$	755,645
On November 29, 2017, the Tribe entered into a promissory note agreement with First Interstate Bank for $2,525,000 for a 12-year period. The note is payable in monthly payments of $19,487 for principal and interest. At December 31, 2024, the effective interest rate was 5.01%. The loan is secured by the Child Care Center.		2,156,212
On March 20, 2020, the Tribe entered into a promissory note agreement with First Interstate Bank for $785,013 for a 7-year period. The note is payable in monthly payments of $11,121 for principal and interest. At December 31, 2024, the effective interest rate was 5.00%. The loan is secured by severance tax revenue.		335,242
In July 2013, the Shoshone Crusher, Inc., an enterprise fund of the Tribe, entered into a promissory note agreement with First Interstate Bank for $910,015 due July 2020. During 2014, the Tribe assumed the note and began making payments. The note is payable in annual payments of $298,430 for principal and interest. At December 31, 2024, the effective interest rate was 4.75%. The Tribe has pledged mineral severance revenues and equipment against the total amount of the loan.		1,096,964
On March 20, 2020, the Tribe entered into a promissory note agreement with First Interstate Bank for $511,055 for a 7-year period. The note is payable in annual payments of $49,316 for principal and interest. At December 31, 2024, the effective interest rate was 5.00%. The loan is secured by the property.		391,011
Total long-term debt		4,735,074
Less current maturities		(820,601)
Governmental activities long-term liabilities, net of current maturities	$	3,914,473

NOTE 5 — LONG-TERM DEBT (continued):

Annual debt service requirements to maturity for long-term liabilities are as follows:

Years Ending December 31,	Governmental Activities Principal	Interest
2025	$ 820,601	$ 293,408
2026	1,205,231	226,872
2027	443,706	180,847
2028	481,579	532,427
2029	1,783,957	10,466
Totals	$ 4,735,074	$ 1,244,020

The Department does not have a line of credit.

The notes payable listed above include a provision that in the event of default, the holder of the note, at the holder's option, may declare all sums of principal and interest outstanding to be immediately due and payable.

For governmental activities, loans payable are liquidated by the general fund.

NOTE 6 — RELATED-PARTY TRANSACTIONS:

The Department had transfers with the following enterprises and component units that are not part of the Department during 2024:

	Transfers in		
	General Fund	Excluded Health Clinic	Total
Transfers out:			
General Fund	$ -	$ 12,598,975	$ 12,598,975
Other Governmental Funds	(156,032)	-	(156,032)
Excluded Health Clinic	(12,442,943)	-	(12,442,943)
Totals	$ (12,598,975)	$ 12,598,975	$ -

NOTE 6 — RELATED-PARTY TRANSACTIONS (continued):

The Department had receivable and payables with the following funds during 2024:

		Due from		
		General Fund	Arapaho Utilities	Total
Due to	General Fund	$ 954,433	$ 59,881	$ 1,014,314
	Department of the Interior Funds	(68,399)	-	(68,399)
	Department of the Treasury Funds	(21,960)	-	(21,960)
	Other Governmental Funds	(923,955)	-	(923,955)
	Totals	$ (59,881)	$ 59,881	$ -

NOTE 7 — INTERGOVERNMENTAL RECEIVABLE AND UNEARNED GRANT REVENUE:

Amounts recorded as unearned grant revenue represent the amount of grant or contract receipts in excess of program expenditures at December 31, 2024. This may occur in programs with fiscal years ending subsequent to December 31, 2024, or in programs that may be extended beyond December 31, 2024, to complete the contract terms. The Department's intergovernmental receivable and unearned grant revenues balances at December 31, 2024, were as follows:

	Intergovernmental Receivable	Unearned Revenues
Federal:		
U.S. Department of the Interior	$ 2,000	$ 4,941,481
U.S. Department of Agriculture	240,685	124,782
U.S. Department of the Treasury	-	10,232,974
U.S. Department of Education	46,213	-
U.S. Department of Health and Human Services	466,662	1,083,867
U.S. Department of Commerce	59,067	-
U.S. Environmental Protection Agency	47,463	-
U.S. Department of Justice	36,683	10,604
U.S. Department of Homeland Security	32,275	-
U.S. Department of Energy	217,681	-
State and Other:		
State and Other	104,896	359,417
Totals	$ 1,253,625	$ 16,753,125

Notes to Financial Statements

NOTE 8 — RISK MANAGEMENT:

The Department is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions, injuries to employees, and natural disasters. The Department carries commercial insurance for risk of loss. The Department did not have settled claims in excess of its commercial insurance coverage in any of the past three years.

NOTE 9 — COMMITMENTS AND CONTINGENCIES:

Federal and State Grants and Contracts

The Department participates in a number of federal and state grant and contract programs, which are governed by various statutes, regulations, and the terms and conditions of the awards, including Title 2 U.S. Code of Federal Regulations Part 200 (the *Uniform Guidance*). Costs charged to these programs are subject to audit and adjustment by the grantor agencies, their designees, or their cognizant or oversight agency for audit. If expenditures are disallowed as a result of these audits, the Department may be required to repay the disallowed amounts to the grantor agencies. The amount, if any, of expenditures that may ultimately be disallowed cannot be determined at this time.

Litigation, Claims, and Assessments

In the normal course of operations, the Department may be a party to various legal proceedings, claims, and assessments. For the year ended December 31, 2024, the Department was unable to provide Business Council meeting minutes for the period from January 1, 2024 through the report date, and responses regarding pending or threatened litigation were not obtained from two of the Department's five outside legal counsel. As a result, management is unable to represent that all litigation, claims, and assessments have been identified and evaluated, and the effect, if any, of unidentified matters on the Department's financial position or changes in financial position cannot be determined. No provision for any liability that may result from such matters has been recorded in the accompanying financial statements.

SINGLE AUDIT

AUDITORS' SECTION

Stauffer & ASSOCIATES PLLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable Chairman and Members of the Business Council
Northern Arapaho Tribe
Ethete, Wyoming

We were engaged to audit, in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States (*Government Auditing Standards)*, the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Governmental Department (the Department) of the Northern Arapaho Tribe (the Tribe), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements and have issued our report thereon dated September 29, 2026. Our report disclaims opinions on such financial statements because the Department has not performed account reconciliations for all accounts which resulted in us being unable to obtain sufficient appropriate audit evidence regarding completeness, existence, and accuracy of the balances. Additionally, we were unable to obtain sufficient appropriate audit evidence to test the Department's accounting for leases and subscription-based information technology arrangements as required by GASBS 87 and 96. In addition, no Council meeting minutes were provided from January 1, 2024, through the report date; the minutes could have a significant impact on audit procedures and disclosures and we were unable to obtain a discussion or evaluation of potential pending or threatened litigation from 2 of the 5 outside legal counsel.

Report on Internal Control Over Financial Reporting

In connection with our engagement to audit the financial statements of the Department, we considered the Department's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

Report on Internal Control Over Financial Reporting (continued)

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2024-001, 2024-002, 2024-003, 2024-005 and 2024-006 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2024-004, 2024-007 and 2024-008 to be significant deficiencies.

Report on Compliance and Other Matters

In connection with our engagement to audit the financial statements of the Department, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our engagement, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. Additionally, if the scope of our work had been sufficient to enable us to express opinions on the basic financial statements, other instances of noncompliance or other matters may have been identified and reported herein.

Department's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Department's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Department's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Stauffer & Associates PLLC

Liberty Lake, Washington
September 29, 2026

Stauffer & ASSOCIATES PLLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
FOR EACH MAJOR FEDERAL PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE *UNIFORM GUIDANCE*

Honorable Chairman and Members of the Business Council
Northern Arapaho Tribe
Ethete, Wyoming

Report on Compliance for Each Major Federal Program

Qualified Opinions

We have audited the Governmental Department's (the Department) of the Northern Arapaho Tribe (the Tribe) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Department's major federal programs for the year ended December 31, 2024. The Department's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Qualified Opinion on 477 Cluster, COVID-19 – Local Assist & Tribal Consistency Fund, COVID-19 – Coronavirus State and Local Fiscal Recovery Funds, and Rehabilitation Services - American Indians with Disabilities/Vocational Rehabilitation.

In our opinion, except for the noncompliance described in the Basis for Qualified Opinions section of our report, the Governmental Department of the Northern Arapaho Tribe complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on 477 Cluster, COVID-19 – Local Assist & Tribal Consistency Fund, COVID-19 – Coronavirus State and Local Fiscal Recovery Funds, and Rehabilitation Services - American Indians with Disabilities/Vocational Rehabilitation for the year ended December 31, 2024.

Basis for Qualified Opinions

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (*Uniform Guidance*). Our responsibilities under those standards and the *Uniform Guidance* are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

Report on Compliance for Each Major Federal Program (continued)

Basis for Qualified Opinions (continued)

We are required to be independent of the Tribe and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinions on compliance for each major federal program. Our audit does not provide a legal determination of the Department's compliance with the compliance requirements referred to above.

Matters Giving Rise to Qualified Opinions on 477 Cluster, COVID-19 – Local Assist & Tribal Consistency Fund, COVID-19 – Coronavirus State and Local Fiscal Recovery Funds, and Rehabilitation Services - American Indians with Disabilities/Vocational Rehabilitation.

*A*s described in the accompanying schedule of findings and questioned costs, the Department did not comply with requirements as listed below:

Assistance Listing Number	Name of Federal Program or Cluster	Requirement	Finding Number
15.U01	477 Cluster	Reporting	2024-009
21.032	COVID-19 – Local Assist & Tribal Consistency Fund	Allowable Costs and Activities	2024-010
21.027	COVID-19 – Coronavirus State and Local Fiscal Recovery Funds	Reporting	2024-009
		Allowable Costs and Activities	2024-010
		Procurement, Suspension and Debarment	2024-012
		Matching, Level of Effort, Earmarking	2024-015
84.250	Rehabilitation Services - American Indians with Disabilities	Reporting	2024-009
		Allowable Costs and Activities	2024-010
		Matching, Level of Effort, Earmarking	2024-011

Compliance with such requirements is necessary, in our opinion, for the Department to comply with the requirements applicable to that program.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Department's federal programs.

Report on Compliance for Each Major Federal Program (continued)

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Department's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the *Uniform Guidance* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Department's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *Uniform Guidance*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Department's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- obtain an understanding of the Department's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *Uniform Guidance*, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance which are required to be reported in accordance with the *Uniform Guidance,* and which are described in the accompanying schedule of findings and questioned costs as items 2024-013 and 2024-014. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the Department's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Department's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-009, 2024-010, 2024-011, 2024-012 and 2024-015 to be material weaknesses.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-013 and 2024-014 to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the Department's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Department's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *Uniform Guidance*. Accordingly, this report is not suitable for any other purpose.

Stauffer & Associates PLLC

Liberty Lake, Washington
September 29, 2026

Section I — Summary of Auditors' Results

FINANCIAL STATEMENTS:

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: ***Disclaimer***

Internal control over financial reporting:

- Material weakness(es) identified? X yes ____ no
- Significant deficiency(ies) identified? X yes ____ none reported

Noncompliance material to financial statements noted? ____ yes X no

FEDERAL AWARDS:

Internal control over major federal programs:

- Material weakness(es) identified? X yes ____ no
- Significant deficiency(ies) identified? X yes ____ none reported

Type of auditors' report issued on compliance for major federal programs: ***Qualified***

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? X yes ____ no

Section I — Summary of Auditors' Results (continued)

FEDERAL AWARDS (continued):

Identification of major federal programs:

Assistance Listing Number(s)	*Name of Federal Program or Cluster*
15.U01	477 Cluster
21.032	COVID-19 – Local Assist & Tribal Consistency Fund
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds
84.250	Rehabilitation Services - American Indians with Disabilities/Vocational Rehabilitation

Dollar threshold used to distinguish between type A and type B programs: $750,000

Auditee qualified as low-risk auditee? _____ yes __X__ no

Section II — Financial Statement Findings

FINDING #2024-001

Criteria:

Internal control is a process, effected by an entity's …[governing body], management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations.
- Reliability of financial reporting.
- Compliance with applicable laws and regulations.

(Internal Control – Integrated Framework, Committee of Sponsoring Organizations of the Treadway Commission, © May 2013, p.1)

Condition/Context:

The Department did not have an adequate control system in place to ensure the general ledger accurately reflects the account balances of the Department on a monthly or an annual basis. The Department's cash, accounts receivable, equity interest in component units, capital assets, accrued liabilities, transfers, and depreciation expense were not reconciled.

[ ] *Compliance Finding* [ ] *Significant Deficiency* [X] *Material Weakness*

Cause:

Considering the size and complexity of the Department, the Department did not have a sufficient number of qualified and experienced finance staff to prepare 2024 accounting records and perform required financial close and reporting adjustments.

Effect:

Without adequate financial records, management is basing its decisions on incomplete and/or inaccurate information during the year, and additional time is spent at year end in auditing the financial statements.

Repeat Finding:

Yes – 2023-001.

Section II — Financial Statement Findings (continued)

FINDING #2024-001 (continued)

Recommendation:

We recommend that all transactions be recorded in the general ledger and that supporting schedules be reconciled to the general ledger balances at least quarterly. The Department should also update its policies and procedures, cross-train the finance department personnel to ensure proper procedures can be followed in the event of staff turnover and consider hiring more staff.

Views of Responsible Officials and Planned Corrective Action:

Management agrees with the finding and has prepared corrective action as detailed in its Corrective Action Plan.

Section II — Financial Statement Findings (continued)

FINDING #2024-002

Criteria:

Internal control is a process, effected by an entity's …[governing body], management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations.
- Reliability of financial reporting.
- Compliance with applicable laws and regulations.

(Internal Control – Integrated Framework, Committee of Sponsoring Organizations of the Treadway Commission, © May 2013, p.1)

Condition/Context:

During journal entry testing, 3 of 5 journal entries selected for testing were both prepared and posted by the same individual.

[ ] *Compliance Finding* [ ] *Significant Deficiency* [X] *Material Weakness*

Cause:

The Department does not have formal procedures or system controls in place to enforce segregation of duties or require documented management approval prior to posting journal entries. This may be due to limited staffing or lack of awareness of best practices.

Effect:

This deficiency increases the risk that errors or irregularities could occur and not be detected in a timely manner, potentially resulting in misstatements in the financial statements or improper charges to federal awards.

Repeat Finding:

Yes – 2023-002.

Section II — Financial Statement Findings (continued)

FINDING #2024-002 (continued)

Recommendation:

We recommend that management implement procedures requiring all journal entries to be reviewed and approved by a responsible employee other than the preparer, with documentation of such approval prior to posting. Where staffing limitations exist, management should consider implementing compensating controls, such as periodic independent review of journal entries.

Views of Responsible Officials and Planned Corrective Action:

Management agrees with the finding and has prepared corrective action as detailed in its Corrective Action Plan.

Section II — Financial Statement Findings (continued)

FINDING #2024-003

Criteria:

Internal control is a process, effected by an entity's …[governing body], management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations.
- Reliability of financial reporting.
- Compliance with applicable laws and regulations.

(Internal Control – Integrated Framework, Committee of Sponsoring Organizations of the Treadway Commission, © May 2013, p.1)

Condition/Context:

During federal cash receipt testing:
- 1 of 40 had no support provided for review.
- 3 of 40 had drawdown request forms that were missing required approval.
- 5 of 40 samples were missing both drawdown request forms and expense reports.

During nonfederal cash receipt testing:
- 1 of 40 had no support provided for review.
- 7 of 40 were missing documented management review and approval.
- 4 of 40 were missing copies of checks or money orders.

During federal cash receipt cutoff testing:
- 2 of 4 samples had no support provided for review.

During nonfederal cash receipt cutoff testing:
- 5 of 5 samples had no support provided for review.

[ ] *Compliance Finding* [ ] *Significant Deficiency* [X] *Material Weakness*

Cause:

The deficiency occurred because the Department has not established or enforced procedures requiring documentation of supervisory review and approval of cash receipts, or staff have not been adequately trained on the importance of maintaining such documentation.

Section II — Financial Statement Findings (continued)

FINDING #2024-003 (continued)

Effect:

Because documentation of review and approval of cash receipts is not maintained, there is an increased risk that errors or irregularities in cash handling may not be detected in a timely manner. This deficiency could result in unauthorized transactions, misappropriation of assets, or noncompliance with federal requirements, potentially leading to questioned costs or disallowed expenditures.

Repeat Finding:

Yes – 2023-003.

Recommendation:

We recommend that the entity implement and enforce procedures requiring that all cash receipts be reviewed and approved by appropriate personnel, and that such review and approval be documented and retained.

Views of Responsible Officials and Planned Corrective Action:

Management agrees with the finding and has prepared corrective action as detailed in its Corrective Action Plan.

Section II — Financial Statement Findings (continued)

FINDING #2024-004

Criteria:

Per the *Uniform Guidance* (2 CFR 200.303) and best practices for IT general controls, entities must establish and maintain effective internal controls over information technology systems, including a documented and tested disaster recovery plan and appropriate monitoring of privileged (administrator) access to financial systems. Logical access controls and periodic reviews of administrator activities are essential to safeguard assets and ensure the integrity of financial reporting and compliance with federal requirements.

Condition/Context:

During our review of IT general controls significant to the financial reporting process, we noted that while there is an IT Manager and policies and procedures in place over IT controls, there is currently no disaster recovery plan. In addition, there are multiple users with administrator access in the Department's accounting software, including the Chief Financial Officer (CFO). There is no review or monitoring of administrative actions taken to ensure these users do not abuse their administrator rights.

[ ] *Compliance Finding* [X] *Significant Deficiency* [ ] *Material Weakness*

Cause:

The absence of a disaster recovery plan and lack of monitoring over administrator access appear to be due to insufficient prioritization of IT risk management and a lack of formalized procedures for periodic review and oversight of privileged user activities.

Effect:

Without a documented and tested disaster recovery plan, the Department is at increased risk of prolonged disruption to financial operations and potential loss of critical data in the event of a disaster. The lack of monitoring over administrator access increases the risk of unauthorized or inappropriate changes to financial data, which could result in material misstatement of the financial statements or noncompliance with federal requirements.

Repeat Finding:

Yes – 2023-004.

Section II — Financial Statement Findings (continued)

FINDING #2024-004 (continued)

Recommendation:

We recommend that management develop, document, and periodically test a comprehensive disaster recovery plan for IT systems significant to financial reporting. Additionally, management should implement procedures to periodically review and monitor administrator activities within the accounting software, ensuring that access is limited to those with a demonstrated need and that all privileged actions are logged and reviewed for appropriateness.

Views of Responsible Officials and Planned Corrective Action:

Management agrees with the finding and has prepared corrective action as detailed in its Corrective Action Plan.

Section II — Financial Statement Findings (continued)

FINDING #2024-005

Criteria:

2 CFR section 200.512(a) states that an entity expending more than $750,000 of federal funds within a fiscal year must submit the data collection form and reporting package within nine months after the end of the audit period.

Condition/Context:

The Department's audited financial statements were not submitted to the Federal Clearinghouse by the due date of September 30, 2025.

[ ] *Compliance Finding* [ ] *Significant Deficiency* [X] *Material Weakness*

Cause:

The Department's general ledger was not ready for audit as significant accounts were not reconciled in a timely manner.

Effect:

The Department was not in compliance with the federal requirement, which could lead to sanctions by the funding sources.

Repeat Finding:

Yes –2023-005.

Recommendation:

The Department should establish a timely process to ensure completion of the audit by September 30 of each year.

Views of Responsible Officials and Planned Corrective Action:

Management agrees with the finding and has prepared corrective action as detailed in its Corrective Action Plan.

Section II — Financial Statement Findings (continued)

FINDING #2024-006

Criteria:

Internal control is a process, effected by an entity's …[governing body], management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations.
- Reliability of financial reporting.
- Compliance with applicable laws and regulations.

(Internal Control – Integrated Framework, Committee of Sponsoring Organizations of the Treadway Commission, © May 2013, p.1)

Condition/Context:

During voided check testing, supporting evidence was not obtained for 22 of 24 samples.

During check gap testing, supporting evidence was not obtained for 38 of 65 samples.

[ ] *Compliance Finding* [ ] *Significant Deficiency* [X] *Material Weakness*

Cause:

The Department did not have adequate procedures to ensure the accuracy and completeness of the check register, and there is no independent review process to verify that voided checks are not issued or cleared.

Effect:

Without accurate check register records and effective review controls, there is an increased risk of misstatement in the financial records, unauthorized disbursements, or undetected errors and irregularities in cash management.

Section II — Financial Statement Findings (continued)

FINDING #2024-006 (continued)

Repeat Finding:

No.

Recommendation:

We recommend the Department strengthen internal controls over cash disbursements by (1) implementing a review process to verify that all cleared checks are accurately recorded in the register, (2) ensuring that voided checks are properly canceled and retained to prevent accidental issuance, and (3) assigning an independent reviewer to periodically reconcile the check register to the bank statement.

Views of Responsible Officials and Planned Corrective Action:

Management agrees with the finding and has prepared corrective action as detailed in its Corrective Action Plan.

Section II — Financial Statement Findings (continued)

FINDING #2024-007

Criteria:

Internal control is a process, effected by an entity's …[governing body], management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations.
- Reliability of financial reporting.
- Compliance with applicable laws and regulations.

(Internal Control – Integrated Framework, Committee of Sponsoring Organizations of the Treadway Commission, © May 2013, p.1)

Condition/Context:

During cash disbursement testing, 2 of 40 samples did not have documentation of review and approval.

[ ] *Compliance Finding* [X] *Significant Deficiency* [ ] *Material Weakness*

Cause:

The deficiency occurred because the Department has not established or consistently enforced procedures requiring documentation of supervisory review and approval of cash disbursements prior to payment. In addition, staff may not have been adequately trained on the importance of maintaining evidence of review, approval, and payment documentation.

Effect:

Because documentation of review and approval of cash disbursements is not maintained, there is an increased risk that errors, duplicate payments, unauthorized disbursements, or unsupported expenditures may not be detected in a timely manner. This deficiency could result in misappropriation of assets, inaccurate financial reporting, or noncompliance with federal requirements, potentially leading to questioned costs or disallowed expenditures.

Section II — Financial Statement Findings (continued)

FINDING #2024-007 (continued)

Repeat Finding:

No.

Recommendation:

We recommend that the Department implement and enforce procedures requiring that all cash disbursements be reviewed and approved by appropriate personnel prior to payment, and that evidence of such review and approval be documented and retained.

Views of Responsible Officials and Planned Corrective Action:

Management agrees with the finding and has prepared corrective action as detailed in its Corrective Action Plan.

Section II — Financial Statement Findings (continued)

FINDING #2024-008

Criteria:

Internal control is a process, effected by an entity's …[governing body], management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations.
- Reliability of financial reporting.
- Compliance with applicable laws and regulations.

(Internal Control – Integrated Framework, Committee of Sponsoring Organizations of the Treadway Commission, © May 2013, p.1)

Condition/Context:

During testing of payroll 2 of 40 samples had paystub wage rates that did not match the approved Payroll Change Notice and 1 of 40 samples had a Payroll Change Notice that was not approved by Human Resources.

[ ] *Compliance Finding* [X] *Significant Deficiency* [ ] *Material Weakness*

Cause:

The payroll rate discrepancies occurred because management had not established and consistently enforced procedures to ensure that approved Payroll Change Notices were accurately entered into the payroll system and independently reviewed prior to payroll processing. As a result, changes to employee wage rates were processed without sufficient verification to confirm agreement with approved supporting documentation.

Effect:

The absence of effective controls over payroll rate changes increases the risk that employees may be paid at unauthorized or incorrect wage rates, resulting in payroll overpayments or underpayments and inaccurate payroll expenses and related liabilities.

Section II — Financial Statement Findings (continued)

FINDING #2024-008 (continued)

Repeat Finding:

No.

Recommendation:

We recommend that the Department establish and consistently implement procedures requiring payroll personnel to verify wage-rate changes against approved Payroll Change Notices and an appropriate individual independent of payroll processing to review the changes before payroll is finalized. Any discrepancies identified should be investigated and corrected promptly.

Views of Responsible Officials and Planned Corrective Action:

Management agrees with the finding and has prepared corrective action as detailed in its Corrective Action Plan.

Section III — Federal Award Findings and Questioned Costs

FINDING #2024-009

Program Information:

U.S. Department of the Interior
477 Cluster
Assistance Listing #15.U01
Award Number: A19AV00447/A21AV00791
Award Period: 7/1/2018 - 6/30/2021, 7/1/2021 - 6/30/2025

U.S. Department of the Treasury
COVID-19 Coronavirus State and Local Fiscal Recovery Funds
Assistance Listing #21.027
Award Number: SLFRP0245/SLFRP4718
Award Period: 10/1/2021 - 9/30/2026

U.S. Department of Education
Rehabilitation Services - American Indians with Disabilities/Vocational Rehabilitation
Assistance Listing #84.250
Award Number: H250N210032/Unknown
Award Period: 10/1/2021 - 9/30/2026

Criteria:

2 CFR § 200.303 – Internal controls states, the non-Federal entity must:

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

15.U01: Per the 2024 OMB Compliance Supplement, the Department is required to submit a Public Law 102-477 Annual Financial Expenditure Report and a Public Law 102-477 Statistical Report.

21.027: Per the 2024 OMB Compliance Supplement, the Department is required to submit Quarterly Project and Expenditure Reports for this program.

Section III — Federal Award Findings and Questioned Costs (continued)

FINDING #2024-009 (continued)

Criteria (continued):

84.250: Per the grant agreement, the Department is required to submit an Annual Performance Report for this program.

Condition/Context:

15.U01:
Of the two Public Law 102-477 Financial Expenditure Reports selected for testing, one report lacked supporting documentation for the amounts reported, and the other report was not provided for audit.

21.027:
Of the two Project and Expenditure Reports selected for testing (Q1 and Q4), the Q1 report was not provided. For the Q4 report, the cumulative expenditures reported did not agree with the amount reflected in the Statement of Revenue and Expenditures. Management did not provide an explanation or supporting documentation for the variance.

84.250:
The annual performance report and related support could not be provided.

[X] *Compliance Finding* [ ] *Significant Deficiency* [X] *Material Weakness*

Cause:

Management did not maintain, or could not locate, documentation supporting the reported expenditures, and did not have procedures in place to ensure required reports and their supporting records were retained and available for audit.

Effect:

The Department is out of compliance with federal reporting requirements and data reported to federal agencies may be inaccurate.

Section III — Federal Award Findings and Questioned Costs (continued)

FINDING #2024-009 (continued)

Questioned Costs:

N/A – There is no dollar amount associated with this compliance attribute.

Repeat Finding:

No.

Recommendation:

We recommend that management establish and implement procedures to ensure that all required federal reports are prepared, retained, and made available for audit in accordance with federal requirements.

Views of Responsible Officials and Planned Corrective Action:

Management agrees with the finding and has prepared corrective action as detailed in its Corrective Action Plan.

Section III — Federal Award Findings and Questioned Costs (continued)

FINDING #2024-010

Program Information:

U.S. Department of the Treasury
COVID-19 - Local Assist & Tribal Consistency Fund
Assistance Listing #21.032
Award Number: LATCFTR0017
Award Period: 8/31/2022 - until expended.

U.S. Department of the Treasury
COVID-19 Coronavirus State and Local Fiscal Recovery Funds
Assistance Listing #21.027
Award Number: SLFRP0245/SLFRP4718
Award Period: 10/1/2021 - 9/30/2026

U.S. Department of Education
Rehabilitation Services - American Indians with Disabilities/Vocational Rehabilitation
Assistance Listing #84.250
Award Number: H250N210032/Unknown
Award Period: 10/1/2021 - 9/30/2026

Criteria:

2 CFR § 200.303 – Internal controls states, the non-Federal entity must:

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Per 2 CFR 200.403 and 2 CFR 200.405, costs charged to federal awards must be allowable, allocable, and reasonable under the *Uniform Guidance*.

Section III — Federal Award Findings and Questioned Costs (continued)

FINDING #2024-010 (continued)

Condition/Context:

21.032:

- 5 of 51 payroll samples had Payroll Change Notices that were outdated and included incomplete and inaccurate pay rates.
- 15 of 15 Individually Important Items (IIIs) and 9 of 9 non-payroll samples were not provided for testing.

21.027:

- Supporting documentation was not obtained for 1 of 6 IIIs, 35 of 35 non-payroll samples and 2 of 25 payroll samples.
- 1 of 25 payroll samples did not have a time sheet provided.

84.250:

- 15 of 15 Nonpayroll samples (4 of 4 IIIs, 11 of 11 samples selected) were not provided.

[X] *Compliance Finding* [ ] *Significant Deficiency* [X] *Material Weakness*

Cause:

The original documents for these items were unable to be found due to deficiencies in record keeping.

Effect:

Without adequate supporting documentation, documented approvals, and accurate Payroll Change Notices, management may be unable to verify that expenditures and payroll costs charged to the program are allowable, properly authorized, and accurately recorded, increasing the risk of questioned costs, noncompliance, and material misstatements

Questioned Costs:

Known – $1,304,093 – 21.032
Known – $1,443,102 – 21.027
Known – $130,880 – 84.250

Section III — Federal Award Findings and Questioned Costs (continued)

FINDING #2024-010 (continued)

Repeat Finding:

No for 21.032, 21.027 and 84.250.

Recommendation:

We recommend the entity strengthen its internal control procedures to ensure all nonpayroll and payroll transactions are supported by complete, accurate, and current documentation and are subject to documented review and approval prior to processing. Management should require supporting documentation to be retained for all expenditures, ensure Payroll Change Notices are timely updated and accurately reflect approved payroll changes, and implement periodic monitoring procedures to verify compliance with established policies and federal award requirements. Additionally, management should document its reviews and promptly address any deficiencies identified.

Views of Responsible Officials and Planned Corrective Action:

Management agrees with the finding and has prepared corrective action as detailed in its Corrective Action Plan.

Section III — Federal Award Findings and Questioned Costs (continued)

FINDING #2024-011

Program Information:

U.S. Department of Education
Rehabilitation Services - American Indians with Disabilities/Vocational Rehabilitation
Assistance Listing #84.250
Award Number: H250N210032/Unknown
Award Period: 10/1/2021 - 9/30/2026

Criteria:

2 CFR § 200.303 – Internal controls states, the recipient and subrecipient must:

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

The Northern Arapaho Tribe's award is for American Indian Vocational Rehabilitation Services under ALN 84.250. The award document identifies CFDA/Subprogram 84.250N and the project title as Vocational Rehabilitation Services for the Northern Arapaho Tribe.

Under the program matching requirements, the match is mandatory and projects are required to contribute 10 percent of the total project cost in cash or in-kind, unless the Commissioner of RSA waives the cost-share requirement under 34 C.F.R. § 371.40(c). The required match is calculated by dividing the Federal funding requested by nine. Accordingly, for Federal funding of $630,000, the required match is $70,000.

Under 2 C.F.R. § 200.306, cost sharing or matching contributions must be verifiable from the recipient's records, necessary and reasonable for accomplishment of project objectives, allowable under applicable cost principles, and valued and documented in accordance with Federal requirements. In-kind contributions must be appropriately valued, and donated facilities or space should be supported by adequate records and valued based on fair rental value for similar space under similar terms.

Section III — Federal Award Findings and Questioned Costs (continued)

FINDING #2024-011 (continued)

Condition/Context:

For FY24, the Department reported using the value of building square footage for the Vocational Rehabilitation program space as the source of the required in-kind match. The building is located on tribal land and is owned by the Northern Arapaho Department. Management indicated that the Department consults annually with a local realtor to determine the applicable dollar rate per square foot used in the match calculation.

However, the Department could not provide the FY24 calculation and supporting documentation for the building square footage valuation used to support the required $70,000 match. As a result, audit procedures could not verify the valuation methodology, square footage used, rate per square foot, or total in-kind match amount claimed for FY24.

[X] *Compliance Finding* [ ] *Significant Deficiency* [X] *Material Weakness*

Cause:

The Department did not maintain or provide sufficient contemporaneous documentation to support the FY24 in-kind match calculation. Specifically, documentation was not available to substantiate the fair rental value or square-foot rate applied, the square footage allocated to the Vocational Rehabilitation program, and the resulting calculation used to demonstrate compliance with the required match.

Effect:

Because the FY24 matching calculation and supporting records could not be provided, the auditors were unable to determine whether the Department's in-kind contribution was adequately supported, properly valued, and sufficient to meet the required $70,000 match. This does not indicate that the match was not contributed; rather, the lack of documentation limits the ability to verify compliance with the matching requirements and may increase the risk of questioned costs, repayment, or other grantor remedies if the awarding agency determines the match was not adequately supported.

Questioned Costs:

Undetermined. A specific dollar amount of questioned costs could not be computed because the Department did not provide the valuation calculation or supporting documentation; the amount of unsupported in-kind match – and any resulting disallowance – cannot be quantified from available records.

Section III — Federal Award Findings and Questioned Costs (continued)

FINDING #2024-011 (continued)

Repeat Finding:

No.

Recommendation:

We recommend that management establish and implement procedures to maintain contemporaneous documentation supporting the required match. At a minimum, such procedures should include documentation of (1) the square footage used by the Vocational Rehabilitation program, (2) the basis for the fair rental value or rate per square foot (including annual realtor support or comparable market data), (3) ownership and use documentation for the facility, (4) the calculation of the match amount, (5) evidence of management review and approval, and (6) retention of supporting documentation with the grant records.

Views of Responsible Officials and Planned Corrective Action:

Management agrees with the finding and has prepared corrective action as detailed in its Corrective Action Plan.

Section III — Federal Award Findings and Questioned Costs (continued)

FINDING #2024-012

Program Information:

U.S. Department of the Treasury
COVID-19 Coronavirus State and Local Fiscal Recovery Funds
Assistance Listing #21.027
Award Number: SLFRP0245/SLFRP4718
Award Period: 10/1/2021 - 9/30/2026

Criteria:

2 CFR § 200.303 – Internal controls states, the non-Federal entity must:

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

2 CFR 200.214 and 2 CFR part 180 require that a nonfederal entity verify that a party to a covered transaction (a contract or subaward at or above $25,000, and certain lower-tier transactions) is not suspended, debarred, or otherwise excluded before entering into the transaction. 2 CFR 200.318 requires written procurement procedures and documentation of the procurement history.

Condition/Context:

21.027:

- No documentation of competitive solicitations or sole sources justification was provided for 5 of 5 Individually Important Items (IIIs) and 2 of 2 samples.
- For 6 of 6 IIIs, there was no documentation of a suspension and debarment search completed.

[X] *Compliance Finding* [ ] *Significant Deficiency* [X] *Material Weakness*

Section III — Federal Award Findings and Questioned Costs (continued)

FINDING #2024-012 (continued)

Cause:

Lack of sufficient oversight and staff turnover may have led to procurement, suspension and debarment policies and requirements not being consistently followed.

Effect:

The Department could be subject to questioned costs or other sanctions from funding agencies if they determine that programs did not assure full and open competition for the procurements and/or if vendors retained and paid from federal funds and are later found to be suspended or debarred.

Questioned Costs:

Procurement:

- Known – $366,167

Debarment:

- None identified, as there was no evidence that the vendors were actually suspended or debarred. However, the lack of documentation precludes assurance that compliance was achieved.

Repeat Finding:

Yes – 2023-008.

Section III — Federal Award Findings and Questioned Costs (continued)

FINDING #2024-012 (continued)

Recommendation:

We recommend that the Department establish and enforce procurement policies and procedures requiring competitive solicitations and bidding documentation to be retained.

We also recommend that the Department train staff to perform the following:

1) Check the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA) and available at https://www.sam.gov/portal/public/SAM/,
2) collect a certification from the entity, or
3) add a clause or condition to the covered transaction with that entity (2 CFR section 180.300).

Views of Responsible Officials and Planned Corrective Action:

Management agrees with the finding and has prepared corrective action as detailed in its Corrective Action Plan.

Section III — Federal Award Findings and Questioned Costs (continued)

FINDING #2024-013

Program Information:

U.S. Department of the Interior
477 Cluster
Assistance Listing #15.U01
Award Number: A19AV00447/A21AV00791
Award Period: 7/1/2018 - 6/30/2021, 7/1/2021 - 6/30/2025

Criteria:

An effective system of internal control over compliance requires an appropriate segregation of duties so that no single individual controls all phases of a transaction. Journal entries affecting federal award activity should be prepared by one individual and posted (or independently reviewed and approved) by a different individual, so that errors, unallowable costs, or irregularities are prevented or detected and corrected on a timely basis in the normal course of employees performing their assigned functions. Where the size of the accounting staff does not permit full separation of the preparation and posting functions, a documented independent supervisory review of journal entries should be implemented as a compensating control. See 2 CFR 200.303 (internal control requirements) and 2 CFR 200.516(b)(2).

Condition/Context:

3 of 3 individually important items (IIIs) were journal entries which were posted by the same employee who prepared it.

[X] *Compliance Finding* [X] *Significant Deficiency* [ ] *Material Weakness*

Cause:

The entity did not have adequate procedures to require independent review and approval of journal entries before posting, allowing the same employee to both prepare and post entries.

Section III — Federal Award Findings and Questioned Costs (continued)

FINDING #2024-013 (continued)

Effect:

Without independent review and approval, unauthorized, inaccurate, or unsupported journal entries may be posted to the 477 Cluster program and may not be detected timely, increasing the risk of material misstatement or noncompliance with federal award requirements.

Questioned Costs:

None identified, the costs were allowable, just the control of a review was not performed.

Repeat Finding:

No.

Recommendation:

We recommend the entity establish procedures requiring journal entries to be reviewed and approved by an employee independent of their preparation before posting. The review and approval should be documented, and management should periodically monitor compliance with the procedures.

Views of Responsible Officials and Planned Corrective Action:

Management agrees with the finding and has prepared corrective action as detailed in its Corrective Action Plan.

Section III — Federal Award Findings and Questioned Costs (continued)

FINDING #2024-014

Program Information:

U.S. Department of the Treasury
COVID-19 - Local Assist & Tribal Consistency Fund
Assistance Listing #21.032
Award Number: LATCFTR0017
Award Period: 8/31/2022 - until expended.

Criteria:

2 CFR § 200.303 – Internal controls states, the non-Federal entity must:

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

The reporting compliance requirement obligates the Department to submit required program reports completely and by the prescribed due date.

Condition/Context:

The Department submitted the required Annual Obligation and Expenditure Report on April 2, 2025, two days after the March 31, 2025 due date. Inspection of the report's submission record confirmed the late filing, resulting in noncompliance with the program's reporting requirements.

[X] *Compliance Finding* [X] *Significant Deficiency* [ ] *Material Weakness*

Cause:

The Department had not established procedures to monitor the reporting-deadline calendar and assign responsibility for timely submission.

Section III — Federal Award Findings and Questioned Costs (continued)

FINDING #2024-014 (continued)

Effect:

The report was not filed by the required due date, placing the Department in noncompliance with the program's reporting requirements. Late submission of required reports can impair the funding agency's ability to monitor program obligations and expenditures on a timely basis.

Questioned Costs:

None. The finding is a reporting-requirement noncompliance and does not, by its nature, result in questioned costs.

Repeat Finding:

Yes – 2023-006.

Recommendation:

The Department should establish and implement procedures to track program reporting deadlines and assign responsibility for preparing and submitting each required report in advance of its due date, including a supervisory review to confirm timely submission before the deadline.

Views of Responsible Officials and Planned Corrective Action:

Management agrees with the finding and has prepared corrective action as detailed in its Corrective Action Plan.

Section III — Federal Award Findings and Questioned Costs (continued)

FINDING #2024-015

Program Information:

U.S. Department of the Treasury
COVID-19 – Coronavirus State and Local Fiscal Recovery Funds
Assistance Listing #21.027
Award Number: SLFRP0245/SLFRP4718
Award Period: 10/1/2021 - 9/30/2026

Criteria:

2 CFR § 200.303, Internal controls, states that the recipient and subrecipient must:

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Under the SLFRF earmarking requirements in the OMB Compliance Supplement, recipients may use SLFRF funds for the provision of government services based on revenue loss only up to the amount of revenue loss experienced due to the COVID-19 public health emergency. Recipients may either elect the one-time standard allowance of $10 million, not to exceed the amount of the award, or calculate revenue loss for calendar years 2020, 2021, 2022, and 2023 using the formula prescribed in 31 C.F.R. § 35.6(d). The calculated revenue loss, or the standard allowance if elected, establishes the maximum amount of SLFRF funds that may be used for government services under Expenditure Category 6.1. Recipients using the formula calculation must maintain documentation supporting the calculation.

The Tribe elected to use the formula calculation method in its initial Project and Expenditure Report and reported total revenue loss of $12,002,000. Accordingly, SLFRF expenditures reported under the revenue loss eligible use category should not exceed $12,002,000 unless supported by an updated revenue loss calculation.

Section III — Federal Award Findings and Questioned Costs (continued)

FINDING #2024-015 (continued)

Condition/Context:

The auditors were unable to verify the total revenue replacement amount reported in the Project & Expenditure Report because the supporting revenue loss calculation was not provided.

[X] *Compliance Finding* [ ] *Significant Deficiency* [X] *Material Weakness*

Cause:

The Department did not maintain or provide sufficient documentation to support the revenue loss calculation used to determine the revenue replacement amount reported in the Project and Expenditure (P&E) Report. Specifically, documentation was not available to substantiate the base-year general revenue, the general revenue amounts for each calculation date, the growth adjustment applied, the resulting revenue loss calculated under 31 C.F.R. § 35.6(d), or management's review and approval of the calculation before it was reported to Treasury.

Effect:

Because the revenue loss calculation and supporting records could not be provided, the auditors were unable to verify that the revenue replacement amount reported in the Project & Expenditure Report was accurately calculated, or that SLFRF expenditures reported under the revenue loss eligible use category (Expenditure Category 6.1) did not exceed the allowable limit. This does not indicate that the Tribe exceeded its revenue loss limit; rather, the lack of documentation limits the ability to verify compliance with the earmarking requirement. It may also increase the risk that amounts reported to Treasury are inaccurate, and that Treasury could determine whether SLFRF funds were used in excess of the allowable revenue loss amount, resulting in questioned costs, recoupment, or other remedies.

Questioned Costs:

Undetermined. A specific dollar amount of questioned costs could not be computed because the Department did not provide the support to determine the earmarking amount required.

Repeat Finding:

No.

Section III — Federal Award Findings and Questioned Costs (continued)

FINDING #2024-015 (continued)

Recommendation:

The Department should retain a complete revenue loss calculation supporting the revenue replacement amount reported on the P&E Report, including the methodology elected (formula-based or standard allowance), the base-year and calculation-period data, and the reconciliation of the calculated amount to the amount reported and to the SEFA. Written policies and procedures should require that this documentation be prepared contemporaneously with each report and retained and made available for audit.

Views of Responsible Officials and Planned Corrective Action:

Management agrees with the finding and has prepared corrective action as detailed in its Corrective Action Plan.

AUDITEE'S SECTION

Northern Arapaho Tribe
(Governmental Department)

Schedule of Expenditures of Federal and Nonfederal Awards **Year Ended December 31, 2024**

Program Description	Assistance Listing Number	Grant Identification Number	Passed Through to Subrecipients	Award Expenditures
U.S. DEPARTMENT OF THE INTERIOR:				
Aid to Tribal Government	15.020	A23AV00372	$ -	$ 2,027
BIA - METH	15.025	A22AV00078	-	144,919
Services to Indian Children, Elderly and Families	15.025	A20AV00182	-	13,332
Services to Indian Children, Elderly and Families	15.025	A20AV00979	-	124,434
Services to Indian Children, Elderly and Families	15.025	A23AV00780	-	352,617
	subtotal		-	635,302
Indian Child Welfare	15.144	A21AV00011	-	103,902
BIA - ICWA	15.144	A24AV00030	-	54,251
	subtotal		-	158,153
Tribal Climate Resilience	15.156	A23AV00348	-	466,437
Election Code Revision	15.UNK	UNKNOWN	-	18,696
NPS FY23 - Sand Creek	15.954	UNKNOWN	-	3,615
477 Cluster				
Tribal 477 Cluster	15.U01	A21AV00791	-	5,391,459
Tribal 477 Cluster	15.U01	A19AV00447	-	(1,142)
Tribal 477 Cluster	15.U01	A24AV01019	-	233
Total 477 Cluster			-	5,390,550
THPO	15.904	A19AV00244	-	50,000
THPO	15.904	UNKNOWN	-	108,695
THPO - Homesite	15.904	A22AV00499	-	110,487
NPS - FY24 HPF THPO	15.904	UNKNOWN	-	38,719
Sand Creek Massacre Project	15.904	P21AF11262	-	1,347
	subtotal		-	309,248
Total U.S. Department of the Interior			$ -	$ 6,984,028
U.S. DEPARTMENT OF AGRICULTURE:				
Food Distribution	10.567	UNKNOWN	$ -	$ 81,211
NAFD - Northern Arapaho Food Distribution	10.567	UNKNOWN	-	261,426
NAFD - FDPIR CCC FUNDS	10.567	UNKNOWN	-	20,931
	subtotal		-	363,568
Water and Waste Grants	10.770	Contract	-	234,475
USDA Sustain. Ag.	10.UNK	NR243A750003C082	-	73,349
Women, Infants and Children Administration	10.557	3WY700721	-	393,542
WIC - Admin	10.557	UNKNOWN		79,703
WIC Food	10.557	UNKNOWN		44,429
WIC Modernization - MPRO	10.557	UNKNOWN		2,806
WIC NSA FY 25	10.557	202524W100343	-	5,470
Women, Infants and Children Breastfeeding	10.557	3WY700XXX	-	39,651
	subtotal		-	565,601
Child Nutrition Cluster				
Passed Through State of Wyoming Department of Education				
Summer Food Service	10.559	3WY707034	-	19,042
Total Child Nutrition Cluster			-	19,042
Total U.S. Department of Agriculture			$ -	$ 1,256,035
U.S. DEPARTMENT OF THE TREASURY:				
COVID-19 - Local Assist & Tribal Consistency Fund	21.032	LATCFTR0017	$ -	$ 1,490,248
COVID-19 - Homeowner Assistance Fund	21.026	HAF	-	37,158
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	SLFRP4718/SLFRP0245	-	2,544,346
Total U.S. Department of the Treasury			$ -	$ 4,071,752
U.S. DEPARTMENT OF EDUCATION:				
Rehabilitation Services - American Indians with Disabilities	84.250	H250N210032	$ -	$ (523)
Rehabilitation Services - American Indians with Disabilities	84.250	H250N210032	-	442,315
Vocational Rehabilitation	84.250	UNKNOWN	-	163,971
	subtotal		-	605,763
Total U.S. Department of Education			$ -	$ 605,763
U.S. DEPARTMENT OF COMMERCE:				
Economic Development Cluster				
EDA-Public Safety	11.300	05-79-06252	$ -	$ 166,865
Total Economic Development Cluster			-	166,865
Total U.S. Department of Commerce			$ -	$ 166,865

See accompanying independent auditors' report.

Schedule of Expenditures of Federal and Nonfederal Awards (Continued) **Year Ended December 31, 2024**

Program Description	Assistance Listing Number	Grant Identification Number	Passed Through to Subrecipients	Award Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:				
Title VI - Special Programs for the Aging - Part A	93.047	2301WYOATA-00	$ -	$ 169,255
Title VI - Special Programs for the Aging - Part A	93.047	2101WYNAC6	-	583
Title VI - Special Programs for the Aging - Part A	93.047	2201WYTRPH	-	27,963
	subtotal		-	197,801
Aging Cluster				
Special Programs for the Aging, Title III, Part C	93.045	CONTRACT	-	53,112
WSSB	93.045	UNKNOWN	-	58,181
Title III C-1 NSIP	93.045	UNKNOWN	-	294
Title III C-2 NSIP	93.045	UNKNOWN	-	973
Title III - C1 ARP CMC6	93.045	UNKNOWN	-	13,858
Title III - C2 ARP HDC6	93.045	UNKNOWN	-	19,819
Title III C-1	93.045	UNKNOWN	-	15,221
Title III C-2	93.045	UNKNOWN	-	25,227
Nutritional Services Incentive Program Section 311	93.053	2301WYOANT-00	-	14,425
Total Aging Cluster			-	201,110
Sanitation Facilities Construction	93.445	BI-20-P03	-	1,199
Sanitation Facilities Construction	93.445	BI-20-A54	-	1,199
Sanitation Facilities Construction	93.445	BI-23-R02	-	250
Sanitation Facilities Construction	93.445	HHSI244200300015C	-	54,784
Sanitation Facilities Construction	93.445	BI 21-A65	-	1,199
	subtotal		-	58,631
Family First Prevention Services Act Transition Grant	93.556	20PEWYFFTA	-	2,754
FPSS TITLE IV-B SUBPART 2	93.556	23PEWYFPSS	-	14,539
FPSS TITLE IV-B SUBPART 2	93.556	24PEWYFPSS	-	12,107
	subtotal		-	29,400
Child Support Enforcement	93.563	24IAWYTCSE	-	817,085
Child Support Enforcement	93.563	25IAWYTCSE	-	288,810
	subtotal		-	1,105,895
LIHEAP - Weatherization	93.568	21PEWLWC6	-	15,600
LIHEAP - Weatherization	93.568	21PEWYE5C6	-	(312)
LIHEAP - Weatherization	93.568	22PEWYLIEA	-	(1,203)
LIHEAP - Weatherization	93.568	23PEWYLIEA	-	41,138
LIHEAP - Weatherization	93.568	23PEWYLIEE	-	56
LIHEAP - Weatherization	93.568	24PEWYLIEA	-	81,268
LIHEAP FY 25	93.568	25PEWYLIEA	-	256,671
	subtotal		-	393,218
Community Services Block Grant	93.569	24PEWYCOSR	-	232,794
Promoting the Survival and Continuing Vitality of NA Language	93.587	90XN0027	-	26,463
Temporary Assistance for Needy Families	93.558	19PEWYTANF	-	781
Child Care and Development Fund	93.645	22PEWYCWSS	-	(525)
CWSS TITLE IV-B SUB PART 1	93.645	23PEWYCWSS	-	5,809
CWSS TITLE IV-B SUBPART 1	93.645	24PEWYCWSS	-	2,840
	subtotal		-	8,124
COVID-19 RMTL TITLE XX CRRSA ACT	93.UNK	CONTRACT	-	400
NADFS	93.UNK	CONTRACT	-	43,790
Total U.S. Department of Health and Human Services			$ -	$ 2,298,407
U.S. DEPARTMENT OF HOMELAND SECURITY:				
Passed Through State of Wyoming Office of Homeland Security				
State Homeland Security Grant Allocation	97.067	20-EMPG-ARA-GCF20	$ -	$ 39,708
Total U.S. Department of Homeland Security			$ -	$ 39,708
U.S. ENVIRONMENTAL PROTECTION AGENCY:				
Climate Pollution Reduction	66.046	00124200	$ -	$ 107,678
Indian Environmental General Assistance (GAP)	66.926	00124600	-	17,651
Total U.S. Environmental Protection Agency			$ -	$ 125,329
U.S. DEPARTMENT OF ENERGY:				
Long-Term Surveillance and Maintenance	81.136	DE-LM0000465	$ -	$ 221,750
Total U.S. Department of Energy			$ -	$ 221,750
U.S. DEPARTMENT OF JUSTICE:				
Sex Offender Registry and Notification Act	16.750	2020-AW-BX-0018	$ -	$ 4,377
Sex Offender Registry and Notification Act	16.750	22 15PSMA-22-GG-00991-AWAX	-	213,545
	subtotal		-	217,922
Tribal Courts	16.587	2020-TW-AX-0032	-	133,803
Reentry 15PBJA-23-GG-05437-TRIB	16.587	15PBJA-23-GG-05437-TRIB	-	84,755
	subtotal		-	218,558
BJA FY23 ED BYRNE	16.738	15PBJA-23-GG-06077-JAGX	-	9,275
Total U.S. Department of Justice			$ -	$ 445,755
Total Federal Awards			$ -	$ 16,215,392

See accompanying independent auditors' report.

Schedule of Expenditures of Federal and Nonfederal Awards (Continued) **Year Ended December 31, 2024**

Program Description	Assistance Listing Number	Grant Identification Number	Passed Through to Subrecipients	Award Expenditures
OTHER:				
NADFS			$ -	$ (20)
NADFS			-	519,634
NADFS - Dept of Family Service - 7.1.24 - 6.30.26			-	573,108
Intertribal Buffalo Council			-	6,856
NEA - Arapaho Ranch			-	26,387
First Nations Development			-	4,852
First Nations Development			-	1,825
CWC EPSCoR - LANGUAGE & STEM TEK			-	5,606
Nat'l Forest Foundation RQ-244 (4.1.24-6.30.24) $8500Q			-	23,960
University of Utah			-	17,042
Total Other			$ -	$ 1,179,250
Total expenditures shown on the statement of revenues, expenditures, and changes in fund balances - governmental funds - special revenue funds			$ -	$ 17,394,642

See accompanying independent auditors' report.

Northern Arapaho Tribe
(Governmental Department)

Notes to Schedule of Expenditures of Federal and Nonfederal Awards — Year Ended December 31, 2024

NOTE 1 – BASIS OF PRESENTATION:

The accompanying schedule of expenditures of federal and nonfederal awards (the Schedule) includes the federal, state, and other grant activity of the Governmental Department (the Department) of the Northern Arapaho Tribe under programs of the federal government and other state and nonfederal grantors for the year ended December 31, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (*Uniform Guidance*). Because the Schedule presents only a selected portion of the operations of the Department, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Department.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the *Uniform Guidance*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

NOTE 3 – ASSISTANCE LISTING NUMBERS:

Every attempt has been made to determine the correct Assistance Listing Numbers and award numbers for the federal award programs reported on this Schedule. When the federal agency making the award has not provided the Assistance Listing Number and when the appropriate number has not been determined, the number in the Assistance Listing Number column represents the two-digit federal department number as the prefix of the Assistance Listing Number and the suffix has been listed as "UNK." When an award number for a grant could not be obtained, the column for the award number was left blank for the particular award.

NOTE 4 – INDIRECT COST RATE:

The Department has elected to not use the 10 percent de minimis indirect cost rate allowed under the *Uniform Guidance.*

NOTE 5 – OUTSTANDING FEDERAL LOANS:

The Department has no federal loan obligations as of December 31, 2024.

NOTE 6 – DONATED PERSONAL PROTECTIVE EQUIPMENT (UNAUDITED):

The Department did not receive any donated Personal Protective Equipment (PPE) during the year ended December 31, 2024.

NOTE 7 – SOURCE OF FUNDING FOR 477 CLUSTER:

The following is a list of the Assistance Listing numbers included in the 477 Cluster reported on the Department's schedule of expenditures of federal and nonfederal awards:

- 15.130 Indian Education Assistance to Schools
- 15.025 Services to Indian Children, Elderly and Families

Northern Arapaho Business Council
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Corrective Action Plan

Year Ended December 31, 2024

Person responsible for corrective action plan:

Grayson Medicine Cloud, Assistant Financial Officer (AFO)
Shawna Hastings, Controller
Amber Blackburn, Financial Systems & Workflow Manager
Michael White Man, Treasury & Cash Flow Manager
Jessica Gonzales, Drawdowns & Cash Receipts Manager
Patricia Oldman-Trosper, Payroll Manager
DesiRae Willow, Accounts Payable
Annette Shakespeare, Accounts Receivable & Deposits Specialist
Justin Sweglar, IT Manager
Taylee Dresser, Grants Financial Supervisor
Kristina Red Man, Centralized Receiving Coordinator

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Corrective Action Plan (continued)

Year Ended December 31, 2024 (continued)

FINDING #2024-001 – Reconciliations & Financial Close

Solution:
The Finance Department has undertaken a reorganization and modernization of its accounting and financial reporting processes to strengthen reconciliations, financial close, and the reliability of financial information.

- A dedicated position has been assigned responsibility for bank reconciliations and reports to the Controller. Bank accounts are being reconciled monthly.
- Finance has added staff, reassigned responsibilities, and cross-trained personnel to strengthen accounting capacity, continuity, and segregation of duties.
- Dedicated bank accounts are being established by award to reduce commingling of funds and improve the ability to reconcile individual awards.
- Interfund balances and related accounting processes are being reviewed and corrected as part of the overall financial systems restructuring.
- Financial Policies and Procedures are being updated to reflect the revised processes and control structure.

Two significant components of the corrective action remain in process. Finance is developing a formal monthly financial close process and implementing a three-segment accounting structure within MIP to identify CFDA/Assistance Listing, Award, and Other accounting attributes. Implementation has required additional time because the interfund configuration within MIP is more complex than originally anticipated. Management will complete the remaining MIP configuration and testing, implement the formal monthly close process, document the related review and approval procedures, and incorporate the revised processes into the Tribe's Financial Policies and Procedures.

Responsible: AFO; Controller; Financial Systems & Workflow Manager.

Anticipated Completion Date: September 30, 2027.

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Corrective Action Plan (continued)

Year Ended December 31, 2024 (continued)

FINDING #2024-002 – Journal Entries

Solution: The Finance Department has strengthened controls over the preparation, approval, and posting of journal entries to establish appropriate segregation of duties and documented management review.

- Duties for preparing, reviewing, approving, and posting journal entries have been segregated.
- System access has been restricted based on assigned responsibilities to prevent inappropriate combinations of journal-entry functions.
- Internal review and approval controls are in place, and evidence of review and approval is retained.
- Management performs periodic independent review of journal-entry activity as an additional monitoring control.
- MIP/Microix workflow and permission controls have been substantially implemented to support segregation of duties and required approvals.

Certain system controls associated with interfund transactions remain in process because the MIP interfund configuration requires additional development and testing. Financial Policies and Procedures are also being updated to formally document journal-entry preparation, approval, posting, monitoring, and retention requirements. Finance is in the process of recruiting a dedicated employee to support policy and procedure development, implementation, and staff training.

Responsible: Financial Systems & Workflow Manager; Controller; AFO.

Anticipated Completion Date: September 30, 2027.

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Corrective Action Plan (continued)

Year Ended December 31, 2024 (continued)

FINDING #2024-003 – Cash Receipts

Solution:
The Finance Department has implemented strengthened controls over federal and non-federal cash receipts to ensure transactions are supported, reviewed, approved, properly recorded, and retained with appropriate documentation.

- Federal drawdown confirmations are retained and matched to the corresponding bank activity and accounting entry.
- Non-federal cash receipts are supported by appropriate source documentation, including invoices or other receivable documentation, and are matched to the related cash receipt.
- Cash receipts are subject to documented review and approval through internal checks and balances before or as part of the accounting process.
- Supporting documentation is attached to the related accounting transaction to establish a complete audit trail.
- Finance has implemented procedures to evaluate the appropriate accounting period in which revenue is earned, including year-end cutoff, so that revenue recognition is supported independently of the date cash is received.
- Cash-receipt activity is incorporated into the reconciliation and financial-close process to support completeness and accuracy of financial reporting.

The Finance Department will continue formalizing these controls through updated Financial Policies and Procedures, staff training, and periodic monitoring to ensure the procedures are applied consistently.

Responsible: Treasury & Cash Flow Manager; Drawdowns & Cash Receipts Manager; Accounts Receivable & Deposits Specialist; Controller.

Anticipated Completion Date: September 30, 2027.

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Corrective Action Plan (continued)

Year Ended December 31, 2024 (continued)

FINDING #2024-004 – IT Policies & Disaster Recovery

Solution: The Tribe will strengthen information technology controls over systems supporting financial reporting, including disaster recovery, privileged system access, monitoring of administrator activity, and system change management.

- Develop, document, approve, and periodically test a formal disaster recovery plan covering systems significant to financial reporting.
- Review all administrator and privileged-access accounts within MIP/Microix and determine whether access remains appropriate based on assigned responsibilities and business need. Currently, access is restricted to four senior staff and the CFO.
- Restrict administrator access to the minimum number of personnel necessary to support the accounting system. CFO AFO, Controller, Treasury & Cash Flow Manager, and System & Workflow Manager.
- Establish procedures for logging and periodically reviewing administrator and other privileged-user activity.
- Establish documented responsibility for independent review of privileged-user activity.
- Develop and implement a formal change-management process between Finance and IT for significant accounting-system configuration and access changes.
- Update applicable Financial and IT Policies and Procedures and provide staff training on the revised controls.

A formal disaster recovery plan has not yet been completed or tested. The remaining access, monitoring, change-management, and policy status items require confirmation before the response is finalized.

Responsible: IT Manager, Financial Systems & Workflow Manager.

Anticipated Completion Date: September 30, 2027.

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Corrective Action Plan (continued)

Year Ended December 31, 2024 (continued)

FINDING #2024-005 – Late Filing of Audit

Solution: The Finance Department is implementing a more proactive and structured audit-preparation process designed to improve the timeliness of the annual Single Audit and maintain the Tribe in an audit-ready position throughout the year.

- The current Finance team was not responsible for the prior audit cycles that contributed to the existing backlog. Since assuming responsibility, the team has been working proactively to bring prior-period accounting and audit current requirements while simultaneously preparing for future audits.
- Monthly bank reconciliations and the financial-close improvements described under Finding 2024-001 are being used as the primary controls for maintaining an audit-ready general ledger.
- Finance meets periodically with the external auditors during the audit process to identify outstanding documentation, accounting issues, and potential delays.
- Finance has begun developing a formal annual audit-preparation calendar with assigned responsibilities and milestone dates.
- Supporting schedules and documentation are increasingly being assembled and provided throughout the audit process rather than waiting until the end of the audit cycle; however, this process is still being standardized.
- The current Finance team has developed a stronger understanding of Single Audit requirements and is applying that knowledge proactively to the 2025 audit.
- Preparation for the 2025 audit has already begun, including work on the Schedule of Expenditures of Federal Awards (SEFA), rather than waiting for completion of the year-end audit process.

Management will continue formalizing the annual audit calendar, PBC tracking procedures, document-retention requirements, and internal review responsibilities so that financial statements and the Single Audit can be completed and submitted within required federal deadlines.

Responsible: AFO; Controller; Grants Financial Supervisor.

Anticipated Completion Date: September 30, 2027.

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Corrective Action Plan (continued)

Year Ended December 31, 2024 (continued)

FINDING #2024-006 – Check Gaps/Voids

Solution: The Finance Department has strengthened controls over check issuance, check-number sequencing, voided checks, and reconciliation of the check register to bank activity.

- Accounts Payable is reviewing check-number sequences and investigating check gaps to determine the disposition of missing or unused check numbers.
- Cleared checks are reconciled to the check register as part of the monthly bank reconciliation process.
- Monthly bank reconciliations are independently reviewed by the Controller.
- Supporting documentation related to voided checks is retained by Finance, although it is not currently attached within MIP/Microix. Implementation of digitally uploading copies of stamped, voided checks into MIP/Microix have been discussed and that process is being put into effect. A hard copy will still be maintained as a matter of record as well and kept by Accounts Payable.
- Finance is evaluating a broader transition from paper checks to ACH payments in order to reduce manual check-processing risk and improve payment controls.

Management will formalize procedures governing check stock, check issuance, voided checks, check number gaps, document retention, and independent review as part of the updated Financial Policies and Procedures.

Responsible: Accounts Payable; Treasury & Cash Flow Manager; Controller.

Anticipated Completion Date: September 30, 2027.

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Corrective Action Plan (continued)

Year Ended December 31, 2024 (continued)

FINDING #2024-007 – Cash Disbursements

Solution: The Finance Department has established a controlled cash-disbursement process through Microix. All payments are required to proceed through the Microix approval workflow before a check can be issued.

- All cash disbursements are processed through Microix prior to payment.
- Microix requires approval before a check can be issued.
- Microix retains an electronic record identifying the approver and the approval activity.
- Invoices and other supporting documentation are retained for disbursements.
- Copies of issued checks are retained as part of the payment documentation.
- Supporting documentation is maintained within Microix and, where applicable, in supporting Finance records.
- Finance has implemented segregation of duties and internal review controls within the disbursement process.
- Financial Policies and Procedures are being updated to formally document approval authority, segregation of duties, supporting-documentation requirements, payment release, and record retention.

Management will continue to formalize the Accounts Payable workflow and periodically monitor compliance to ensure that approval documentation and supporting records are consistently maintained and readily available for audit.

Responsible: Accounts Payable; Controller; Financial Systems & Workflow Manager; AFO.

Anticipated Completion Date: September 30, 2027.

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Corrective Action Plan (continued)

Year Ended December 31, 2024 (continued)

FINDING #2024-008 – Payroll

Solution: The Tribe uses Payroll Change Notices as the formal source documentation for employee wage-rate changes. Payroll personnel enter approved wage-rate changes into the payroll system, and an independent review is performed and documented before payroll is finalized.

- Payroll Change Notices continue to serve as supporting documentation for authorized wage rate changes. All wage rate changes require an approved Payroll Change Notice before any change can be made to the system.
- Payroll personnel are responsible for entering approved wage rate changes into the payroll system.
- Wage rate changes are subject to independent review before payroll is finalized.
- Evidence of the independent review is documented and retained.
- Existing payroll policies and procedures are being reviewed and strengthened to provide clearer requirements for wage rate changes, supporting documentation, review, and correction of discrepancies. These procedures will also address any discrepancy or correction processes that may need to be modified or put into place.
- Finance and management are evaluating the use of a third-party payroll provider, including Paycom, as a potential means of strengthening payroll processing, workflow controls, documentation, and system-based approvals.

Management will further formalize procedures requiring wage-rate changes to be supported by approved Payroll Change Notices, establish consistent procedures for investigating and correcting discrepancies, and incorporate the revised procedures into the Tribe's Financial Policies and Procedures.

Responsible: Payroll Manager; Controller; AFO.

Anticipated Completion Date: September 30, 2027.

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Corrective Action Plan (continued)

Year Ended December 31, 2024 (continued)

FINDING #2024-009 – Reporting

Solution: The Finance and Grants functions have strengthened controls over the preparation, review, submission, reconciliation, and retention of required federal reports.

- A centralized federal reporting calendar has been established by individual award to identify required reports and due dates.
- Responsibility for preparing federal reports has been assigned to specific personnel.
- Required federal reports are subject to management review and documented approval prior to submission.
- Submitted reports and related supporting documentation are retained centrally to provide an auditable record of the amounts and information reported.
- For the 477 Cluster, required financial expenditure and statistical reports are being retained with supporting documentation.
- For SLFRF Assistance Listing 21.027, quarterly Project and Expenditure Reports are being retained and reconciled to the Tribe's accounting records prior to submission.
- Finance and Grants will continue to monitor reporting requirements, reconcile reported amounts to the general ledger and applicable supporting schedules, and retain evidence of review and submission.

Responsible: Grants Financial Supervisor; AFO; applicable program management personnel.

Anticipated Completion Date: September 30, 2027.

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Corrective Action Plan (continued)

Year Ended December 31, 2024 (continued)

FINDING #2024-010 – Allowable Costs & Activities

Solution: The Finance Department has strengthened front-end controls over expenditures charged to federal awards and is continuing to improve supporting-documentation retention, centralized receiving, and monitoring procedures.

- The front-end POR approval process has been reinstated so that funding source, authorization, and federal allowability are reviewed before obligations are incurred.
- Federal expenditures are reviewed for allowability, allocability, and reasonableness before being charged to an award.
- Controls are in place to ensure payroll costs are charged to the appropriate payroll period and funding source.
- Finance and Grants perform periodic reviews of federal expenditures after posting to verify compliance with award requirements and applicable policies.
- Supporting documentation is currently retained manually while Finance and IT work to increase server capacity to support expanded electronic document retention.
- Centralized receiving is being implemented to strengthen verification that goods and services received agree with approved purchasing documentation before payment.
- Finance and IT are expanding electronic storage capacity so invoices, contracts, PORs/POs, approvals, receiving documentation, and other supporting records can be stored electronically and made readily available for monitoring and audit.

Management will continue strengthening front-end approval, documentation, receiving, and monitoring controls to ensure that federal expenditures are fully supported, properly authorized, and charged to the appropriate award and accounting period. These requirements will also be incorporated into updated Financial Policies and Procedures and staff training.

Responsible: AFO; Grants Financial Supervisor; Centralized Receiving Coordinator; Financial Systems & Workflow Manager; applicable finance personnel.

Anticipated Completion Date: September 30, 2027.

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Corrective Action Plan (continued)

Year Ended December 31, 2024 (continued)

FINDING #2024-011 – Matching

Solution: The Tribe continues to use the value of building space as an in-kind contribution toward the required match for the Vocational Rehabilitation program and has strengthened the documentation supporting the calculation.

- The square footage allocated to the Vocational Rehabilitation program is documented.
- The fair rental value or rate per square foot used in the match calculation is supported by external market information, including realtor or comparable market data.
- A written calculation is prepared showing how the documented square footage and applicable rate support the required in-kind match.
- The documentation in question has been located. It was overlooked and was not uploaded to the auditors.

Management will continue to formalize procedures requiring annual retention of valuation support, documented management review and approval of the match calculation, and retention of the complete calculation and supporting documentation with the applicable grant records.

Responsible: AFO; Grants Financial Supervisor; applicable program management personnel.

Anticipated Completion Date: September 30, 2027.

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Corrective Action Plan (continued)

Year Ended December 31, 2024 (continued)

FINDING #2024-012 – Procurement, Suspension & Debarment

Solution: The Tribe has strengthened its procurement approval and documentation process through the Microix purchasing workflow and is continuing to develop a formal suspension and debarment verification process for federally funded procurements.

- Procurement transactions are routed through Microix for purchase-order approval and review by the appropriate personnel.
- Competitive bids, quotes, sole-source justifications, evaluations, and related procurement documentation are retained as applicable to the procurement method and dollar threshold.
- Procurement method and approval requirements are reviewed through the Microix process by the responsible Finance and management personnel.
- Procurement activity is subject to management review within the Microix workflow.
- Financial and procurement policies are being updated to further formalize documentation, approval, and retention requirements.
- Vendor suspension and debarment status is not currently verified as a required step before engagement, and evidence of such verification is not yet retained as part of the procurement file.
- Management is evaluating the use of a third-party vendor screening solution and will implement a formal process requiring suspension and debarment verification before covered transactions are approved.
- The revised process will require documentation of the verification and integration of the control into the purchasing and vendor-approval workflow.

Responsible: Financial Systems & Workflow Manager; Controller; AFO; procurement/purchasing personnel.

Anticipated Completion Date: September 30, 2027.

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Corrective Action Plan (continued)

Year Ended December 31, 2024 (continued)

FINDING #2024-013 – Allowable Costs & Activities

Solution: The Finance Department has strengthened segregation of duties and system-access controls over journal entries, including entries affecting the 477 Cluster.

- The same journal-entry controls implemented under Finding 2024-002 apply to the 477 Cluster.
- Duties for preparation, review, approval, and posting are segregated, and system access has been restricted based on assigned responsibilities.
- The 477 Cluster follows the same Finance journal-entry workflow as other programs and does not require a separate Grants-specific journal-entry process.
- Independent review and approval of 477 journal entries is not yet consistently documented and retained as part of the accounting record.

Finance will formalize the documentation requirement within the journal-entry workflow and incorporate the requirement into updated Financial Policies and Procedures. Management will also periodically monitor journal-entry activity to verify that the required segregation of duties and documented approval controls are operating consistently.

Responsible: Financial Systems & Workflow Manager; Controller; AFO.

Anticipated Completion Date: September 30, 2027.

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Corrective Action Plan (continued)

Year Ended December 31, 2024 (continued)

FINDING #2024-014 – Reporting

Solution: The Finance Department has strengthened controls over federal reporting to support timely preparation, review, submission, and retention of required reports.

- Finance maintains a centralized federal reporting calendar organized by individual award, including applicable reporting requirements and due dates.
- Responsibility for preparation and submission of required reports is assigned to specific personnel.
- Internal reporting deadlines and reminders are established in advance of federal due dates to provide sufficient time for preparation, review, and correction of any identified issues.
- Required reports are subject to management review and approval prior to submission.
- Submitted reports and related supporting documentation are retained as part of the applicable award records.
- Finance monitors reporting deadlines and follows up on upcoming requirements to reduce the risk of late filings.

Responsible: AFO; Grants Financial Supervisor; assigned award personnel.

Anticipated Completion Date: September 30, 2027.

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Corrective Action Plan (continued)

Year Ended December 31, 2024 (continued)

FINDING #2024-015 – Earmarking

Solution: The Tribe will no longer have funds available for this program after 2026.

Management will continue to formalize procedures requiring annual retention of valuation support, documented management review and approval of the revenue loss calculation, and retention of the complete calculation and supporting documentation with the applicable grant records.

Responsible: AFO; Grants Financial Supervisor; applicable program management personnel.

Anticipated Completion Date: September 30, 2027.

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Summary Schedule of Prior Audit Findings

Year Ended December 31, 2024

2023 Audit Findings

FINDING #2023-001 – Account Reconciliations and Financial Statement Preparation

Condition:

The Department did not have an adequate control system in place to ensure the general ledger accurately reflects the account balances of the Department on a monthly or an annual basis. The Department's bank accounts, accounts receivable, grants receivable, capital assets, unearned revenue, accrued liabilities, interfund transactions, transfers, and fund balances were not reconciled until well after the year ended December 31, 2023, in preparation for the audit.

Status: Continued, see finding 2024-001.

FINDING #2023-002

Condition:

During journal entry testing, 1 of 5 journal entries selected for testing was both prepared and posted by the same individual. Additionally, there was no documentation of management approval for this entry.

Status: Continued, see finding 2024-002.

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Summary Schedule of Prior Audit Findings (continued)

Year Ended December 31, 2024 (continued)

2023 Audit Findings (continued)

FINDING #2023-003

Condition:

During nonfederal cash receipt testing, 40 of 40 samples did not have documentation of review and approval.

During federal cash receipt testing, 11 of 40 samples did not have documentation of review and approval.

Status: Continued, see finding 2024-003.

FINDING #2023-004

Condition:

During our review of IT general controls significant to the financial reporting process, we noted that while there is an IT Manager and policies and procedures in place over IT controls, there is currently no disaster recovery plan. In addition, there are multiple users with administrator access in the Department's accounting software, including the Chief Financial Officer (CFO). There is no review or monitoring of administrative actions taken to ensure these users do not abuse their administrator rights.

Status: Continued, see finding 2024-004.

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Summary Schedule of Prior Audit Findings (continued)

Year Ended December 31, 2024 (continued)

2023 Audit Findings (continued)

FINDING #2023-005

Condition:

The Department's audited financial statements were not submitted to the Federal Clearinghouse by the due date of September 30, 2024.

Status: Continued, see finding 2024-005.

FINDING #2023-006

Condition:

The Department did not provide the required FY23 Annual Obligation and Expenditure Report for audit. As a result, the auditor was unable to perform testing over the completeness and accuracy of the information reported to the U.S. Department of the Treasury for the program's expenditures.

Status: Continued, see finding 2024-014.

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Summary Schedule of Prior Audit Findings (continued)

Year Ended December 31, 2024 (continued)

2023 Audit Findings (continued)

FINDING #2023-007

Condition:

During our testing of 34 nonpayroll transactions charged to the 477 Cluster program, we identified 2 transactions that were for unallowable costs.

Status: Resolved.

FINDING #2023-008

Condition:

84.250:
For 2 of 2 suspension and debarment samples selected for testing, it could not be determined that a search for suspension and debarment was conducted prior to engaging in business with the vendor. Specifically, there was no evidence of a SAM search, certification, or contract clause for these transactions.

21.027:
For 2 of 2 suspension and debarment samples selected for testing, it could not be determined that a search for suspension and debarment was conducted prior to engaging in business with the vendor. Specifically, there was no evidence of a SAM search, certification, or contract clause for these transactions.

Status: Not continued for 84.250 and continued for 21.027, see finding 2024-012.

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Summary Schedule of Prior Audit Findings (continued)

Year Ended December 31, 2024 (continued)

2022 Audit Findings

FINDING #2022-001 – Account Reconciliations and Financial Statement Preparation

Condition:

Internal controls have not been implemented to ensure all general ledger balances are properly reconciled. During our audit we encountered significant difficulties auditing loans payable, interfund balances, accounts payable, grant receivables, unearned grant revenue, capital assets, and fund balance. This resulted in an excessive amount of time spent on these areas by both the auditors and the auditee as well as significant adjusting journal entries that were necessary to correct the account balances.

Status: Continued, see finding 2024-001.

FINDING #2022-002

Condition:

The audit was not completed by the required date of September 30, 2023.

Status: Continued, see finding 2024-005.

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Summary Schedule of Prior Audit Findings (continued)

Year Ended December 31, 2024 (continued)

2021 Audit Findings

FINDING #2021-001

Condition:

The audit was not completed by the required date of September 30, 2022.

Status: Continued, see finding 2024-005.

Findings from the Years Ended December 31, 2020, and prior

All findings have been resolved.