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# **Hewel Ñi'okĩ Radio Station**

## **(A Department of the Tohono O'odham Nation)**

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*Financial Statements  
and  
Independent Auditor's Report  
September 30, 2020 and 2019*

**REDW** LLC  
CPAs | Advisors

**Hewel Ñi'okĩ Radio Station**  
**(A Department of the Tohono O'odham Nation)**

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## Independent Auditor's Report

Chairman and Honorable Members of the Legislative Council  
Tohono O'odham Nation

We have audited the accompanying financial statements of the governmental activities and major fund of the Hewel Ñi'okī Radio Station Department (the "Department") of the Tohono O'odham Nation (the "Nation"), as of and for the years ended September 30, 2020 and 2019, and the related notes to the financial statements, as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Hewel Āi'oki Radio Station Department of the Nation, as of September 30, 2020 and 2019, and the respective changes in financial position thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

As discussed in Note 1, the financial statements of the Department are intended to present the financial position and the changes in financial position of only that portion of the governmental activities and the major fund of the Nation that is attributable to the transactions of the Department. They do not purport to, and do not, present fairly the financial position of the Nation as of September 30, 2020 and 2019, or the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*REOW LLC*

Phoenix, Arizona  
February 23, 2021

**Hewel Ñi'okĩ Radio Station**  
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**Management's Discussion and Analysis**  
**For the Years Ended September 30, 2020 and 2019**

**INTRODUCTION**

The Tohono O'odham Nation (the "Nation"), as the licensee of KOHN 91.9 FM operates the station as an executive program under the Executive Branch with the program designation of Hewel Ñi'okĩ, voice of the wind.

The management discussion and analysis (MD&A) of Hewel Ñi'okĩ, managers and operators of KOHN 91.9 FM Radio (KOHN), provides an overview of Hewel Ñi'okĩ's financial performance for the fiscal years ended September 30, 2020 and 2019. Read it in conjunction with the basic financial statements for the period and the annual report to the Corporation for Public Broadcasting (CPB) that accompanies the basic financial statements.

**OVERVIEW OF OPERATIONS**

Hewel Ñi'okĩ is a department of the executive branch of the Tohono O'odham Nation (the "Nation") that reports directly to the Office of the Chairman and operates KOHN 91.9 FM under a Federal Communications Commission (the "Commission") license issued to the Nation. The Nation appropriates operating funds for Hewel Ñi'okĩ through the adoption of an annual budget under the executive branch of the Nation's government. The executive branch's general support services provides indirect administrative support for Hewel Ñi'okĩ which includes financial management and reporting, human resources, facility and fleet maintenance, purchasing, and information technology support.

The Nation is a sovereign nation governed under an adopted constitution. The constitutional government of the Nation is of a tri-branch system consisting of an executive, legislative and judicial branch. The executive branch operates under the direction of a Chairperson and Vice Chairperson elected at large by the citizens (members) of the Nation. The legislative branch consists of a legislative council, its officers and associated staff. Legislative representatives are elected at large from 11 separate political districts, two representatives per district. The Chairperson and Vice Chairperson of the legislative council are elected from within the council membership and additional officers may be appointed from outside of the body. The legislative council provides legislative oversight over the Executive and Judicial Branch through established committees. The legislative oversight committees for Hewel Ñi'okĩ are the Culture Preservation Committee for general issues to preserve the Nation's culture and the Budget and Finance Committee for appropriations and fiscal matters. The judicial branch consists of six appointed justices for the Nation who serve as the Nation's judgment on disputed civil matters and criminal prosecution through adjudication. The appointed Justices elect from their membership a Chief and Deputy Chief Justice to serve as branch administrators. The justices are constitutionally empowered to convene from its members an appellate court to hear and render decisions on appeals as well as other lower courts it deems necessary.

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The Nation's broadcast network, which Hewel Ñi'okĩ manages and operates, consists of the original station KOHN 91.9 FM that was originally licensed to the Nation on December 23, 2004. Subsequently, the license was renewed on September 27, 2013, and expanded to three additional licenses; KOHH 90.7 FM licensed on November 14, 2014; KOHF-LP 101.1 FM licensed on March 10, 2017; and KWAK-LP 102.5 FM licensed on July 14, 2017. All licenses are subject to renewal in 2021 by the FCC.

**OVERVIEW OF FINANCIAL STATEMENTS**

This annual report consists of four parts:

1. Management's discussion and analysis.
2. Basic financial statements.
3. Notes to the basic financial statements.
4. Required supplementary information.

The financial statements of Hewel Ñi'okĩ are prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB).

The basic financial statements combine the fund and department-wide financial statements. These statements present different views of the organization.

**DEPARTMENT-WIDE STATEMENTS**

The Statements of Net Position and the Statements of Activities are department-wide, providing both long-term and short-term information about Hewel Ñi'okĩ's overall financial status. These department-wide financial statements are designed to provide readers with a broad overview of Hewel Ñi'okĩ's finances, in a manner similar to a private-sector business.

The Statements of Net Position presents information on all assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position serve as a useful indicator of whether financial position is improving or deteriorating.

The Statements of Activities presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (i.e., accrued leave).

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**FUND FINANCIAL STATEMENTS**

The fund balance sheets and the statements of revenues, expenditures, and changes in fund balance provide detailed information about the most significant funds. All of Hewel Ñi'okĩ's activities are reported in the operating fund. The financial statements also present a budgetary comparison for the operating fund as supplementary information.

The operating fund is a governmental fund and therefore its focus is on how cash and other financial assets flow in and out, and the balances left at year-end that are available for spending.

Governmental funds provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance programs.

The notes to the financial statements provide required disclosures and other information that are essential to full understanding of the material data provided in the statements. The notes present information about accounting principles, significant account balances and activities, material risks, obligations, commitments, contingencies and subsequent events, if any.

**CONDENSED FINANCIAL INFORMATION**

The following summarizes assets, liabilities and net position:

**TABLE 1**  
**ASSETS, LIABILITIES, AND NET POSITION**  
**SEPTEMBER 30,**

|                                  | <b>2020</b>       | 2019              | 2018              |
|----------------------------------|-------------------|-------------------|-------------------|
| <b>Assets</b>                    |                   |                   |                   |
| Current assets                   | \$ 187,107        | \$ 64,326         | \$ 59,243         |
| Capital assets, net              | <u>709,948</u>    | <u>766,780</u>    | <u>842,150</u>    |
| Total assets                     | <u>897,055</u>    | <u>831,106</u>    | <u>901,393</u>    |
| <b>Liabilities</b>               | <u>120,544</u>    | <u>106,398</u>    | <u>97,068</u>     |
| <b>Net Position</b>              |                   |                   |                   |
| Net investment in capital assets | 709,948           | 766,780           | 842,150           |
| Unrestricted (deficit)           | <u>66,563</u>     | <u>(42,072)</u>   | <u>(37,825)</u>   |
| Total net position               | <u>\$ 776,511</u> | <u>\$ 724,708</u> | <u>\$ 804,325</u> |

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The following summarizes changes in net position:

**TABLE 2**  
**REVENUES, EXPENSES AND OTHER CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED SEPTEMBER 30,**

|  | <b>2020</b>      | 2019               | 2018             |
|--|------------------|--------------------|------------------|
| Operating grants                                     | \$ 227,169       | \$ 227,663         | \$ 227,521       |
| Stabilization fund revenue                           | 112,136          | -                  | -                |
| Indirect administrative support                      | 98,763           | 176,379            | 170,932          |
| Donations/contributions                              | 7,535            | 5,425              | 8,500            |
| Expenses – radio station operations                  | (1,086,189)      | (1,202,433)        | (1,153,820)      |
| Transfers from Tohono O'odham Nation<br>general fund | <u>692,389</u>   | <u>713,349</u>     | <u>761,132</u>   |
| Increase (decrease) in net position                  | <u>\$ 51,803</u> | <u>\$ (79,617)</u> | <u>\$ 14,265</u> |



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Tables 3 and 4 summarize expenses in the program and support services functional categories.

**TABLE 3**  
**SCHEDULE OF FUNCTIONAL EXPENSES BY NATURAL CLASS**  
**FOR THE YEARS ENDED SEPTEMBER 30,**

|                                     | 2020                |                     |                     | 2019                | 2018                |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                                     | Program<br>Services | Support<br>Services | Total               | Total               | Total               |
| Salaries                            | \$ 355,242          | \$ 196,519          | \$ 551,761          | \$ 540,882          | \$ 548,674          |
| Fringe benefits                     | 111,117             | 58,009              | 169,126             | 151,259             | 156,081             |
| Nation administrative support       | -                   | 98,763              | 98,763              | 176,379             | 170,932             |
| Insurance                           | 3,007               | 930                 | 3,937               | 3,404               | 2,299               |
| Training and registration           | -                   | 2,390               | 2,390               | 2,725               | -                   |
| Lodging                             | 141                 | 2,045               | 2,186               | 7,204               | 2,199               |
| Per diem                            | 56                  | 972                 | 1,028               | 2,875               | 420                 |
| Transportation                      | 789                 | 2,151               | 2,940               | -                   | -                   |
| Mileage                             | 255                 | 57                  | 312                 | 983                 | 2,240               |
| Utilities                           | 29,694              | 3,969               | 33,663              | 39,064              | 36,188              |
| Communications                      | 28,283              | 3,610               | 31,893              | 31,210              | 32,951              |
| Freight and postage                 | -                   | 35                  | 35                  | 379                 | 80                  |
| Fuel                                | -                   | 2,169               | 2,169               | 4,290               | 2,699               |
| Supplies - office                   | 1,358               | 804                 | 2,162               | 3,437               | 2,906               |
| Supplies - equipment                | 5,803               | 395                 | 6,198               | 19,429              | -                   |
| Other supplies                      | 265                 | 29                  | 294                 | -                   | 22,831              |
| Program supplies                    | 2,088               | 1,261               | 3,349               | 10,669              | 5,660               |
| Uniforms                            | -                   | -                   | -                   | 1,334               | 1,891               |
| Dues and subscriptions              | 14,234              | 4,372               | 18,606              | 25,762              | 24,203              |
| Lease/rentals                       | 5,185               | -                   | 5,185               | 5,429               | 5,184               |
| Repairs and maintenance – equipment | 3,913               | -                   | 3,913               | 15,667              | 2,125               |
| Repairs and maintenance – vehicle   | -                   | 254                 | 254                 | 1,649               | 914                 |
| Repairs and maintenance – building  | -                   | -                   | -                   | 6,518               | -                   |
| Professional services               | 56,353              | 1,050               | 57,403              | 51,405              | 42,030              |
| Public relations                    | 2,503               | -                   | 2,503               | 2,543               | -                   |
| Audit                               | -                   | 21,500              | 21,500              | 20,800              | 23,000              |
| Food                                | 1,638               | 176                 | 1,814               | 1,017               | 2,531               |
| Donations and contributions         | -                   | -                   | -                   | 750                 | -                   |
| Depreciation                        | -                   | 62,805              | 62,805              | 75,370              | 65,782              |
| Totals                              | <u>\$ 621,924</u>   | <u>\$ 464,265</u>   | <u>\$ 1,086,189</u> | <u>\$ 1,202,433</u> | <u>\$ 1,153,820</u> |

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**TABLE 4**  
**SCHEDULE OF SUMMARIZED FUNCTIONAL EXPENSES**  
**FOR THE YEARS ENDED SEPTEMBER 30,**

|                                   | <b>2020</b>                | <b>2019</b>                | <b>2018</b>                |
|-----------------------------------|----------------------------|----------------------------|----------------------------|
| Program services                  |                            |                            |                            |
| Programming and production        | \$ <b>404,719</b>          | \$ 409,963                 | \$ 381,980                 |
| Broadcasting and engineering      | <b>143,519</b>             | 154,947                    | 148,366                    |
| Program information and promotion | <u><b>73,686</b></u>       | <u>81,305</u>              | <u>72,907</u>              |
| Subtotal                          | <b>621,924</b>             | 646,215                    | 603,253                    |
| Support services                  |                            |                            |                            |
| Management and general            | <u><b>464,265</b></u>      | <u>556,218</u>             | <u>550,567</u>             |
| Total                             | <u><b>\$ 1,086,189</b></u> | <u><b>\$ 1,202,433</b></u> | <u><b>\$ 1,153,820</b></u> |

**BUDGETARY HIGHLIGHTS**

*For the fiscal year 2020*

The Nation, in appropriating the fiscal year 2020 budgets, provided a 2.55% cost of living adjustment on salaries, while the proposed wage adjustments to market remained under consideration by the new administration.

In submitting its budget request, Hewel N̄i'okĩ realigned certain positions between the full power and low power stations. This was done to address the functional needs of both stations without requesting additional funds for new positions. Also positions which are directly involved with distribution and transmission were also realigned under the grant funding to provide more clarity in the use of grant funds for this function.

As in fiscal year 2019, Hewel N̄i'okĩ did not request for an appropriation of its available program revenues. It is anticipated that all available program revenues will appropriated and used in fiscal 2021.

On March 13, 2020, the Chairman of the Nation issued an Executive Order declaring a State of Emergency for the Tohono O'odham Nation due to the COVID-19 pandemic. Throughout the fiscal year 2020, there were several Executive stay at home orders that limited non-essential services, ordered a stay at home mandate for the entire Nation and an overnight curfew. Hewel N̄i'okĩ is a member of the Emergency Management communication system and therefore deemed an essential service. However, staff of Hewel N̄i'okĩ were placed on limited on-site duty to provide operational coverage for each station. On site presence was limited to no more than 4 people per station. Hewel N̄i'okĩ ceased person to person interviews and reverted to virtual meetings and interviews.

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In May 2020, the Nation through the issuance of additional Executive Orders by the Chairman of the Nation, attempted to ease these restrictions as a response to the Nation's low COVID-19 case rate, however, these restrictions were put back in place when the state of Arizona experienced a spike in infections after the Memorial Day Holiday.

At the close of fiscal year 2020, the Nation remained under the state of emergency and the stay at home orders. The operational impact on Hewel N̄i'ok̄i has been a decrease in general operations but not to the detriment of providing services in the public interest.

*For the fiscal year 2019*

The Nation, in appropriating the fiscal year 2019 budgets, provided a 2.13% cost of living adjustment on salaries, however, it did not address the pending wage adjustments to market. The expected increase in salaries for certain staff positions of Hewel N̄i'ok̄i did not occur. This is in part due to the fact that the Nation's electorate returned the previous Chairman and Vice Chairwoman to office during the general election held in May of 2019. The wage adjustment proposal of the prior administration did not obtain approval from the Nation's Legislative Council for adoption.

Fiscal year 2019 served as the second year that operational funding for low power operations were provided in a separate appropriation. Hewel N̄i'ok̄i continues with its assessment of the total operational requirements of its low power stations and related operational expense.

The extended vacancies of several positions impacted on the expenditures for Hewel N̄i'ok̄i. While funds were permitted to be re-allocated to address building repairs and equipment upgrades, Hewel N̄i'ok̄i did not have adequate time to address these projects.

Hewel N̄i'ok̄i did not pursue a budget for the available program revenue as disclosed in the previous 2018 audit. For fiscal year 2019, Hewel N̄i'ok̄i received \$5,425 in program revenues, including the continuing Citizens Clean Elections Commission (\$2,125.00); Inter Tribal Council of Arizona (\$1,500.00); and Arizona Department of Gaming (\$1,800.00).

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**COMMUNITY SERVICE GRANTS (CSG)**

KOHN FM receives a Community Service Grant (CSG) from the Corporation for Public Broadcasting annually for radio. The Community Service Grants received and expended during the most recent fiscal years were as follows:

| Year of<br>Grant | Grants<br>Awarded   | Expended            |                   |                   |                   |                   | Uncommitted<br>Balance at<br>September 30, |
|------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|--|
|                  |                     | Prior Years         | 2017              | 2018              | 2019              | 2020              | 2020                                       |
| Prior years      | \$ 1,803,692        | \$ 1,803,692        | \$ -              | \$ -              | \$ -              | \$ -              | \$ -                                       |
| 2016             | 215,663             | 201,608             | 14,055            | -                 | -                 | -                 | -  |
| 2017             | 215,063             | -                   | 183,317           | 31,746            | -                 | -                 | -  |
| 2018             | 221,212             | -                   | -                 | 195,775           | 25,437            | -                 | -  |
| 2019             | 234,728             | -                   | -                 | -                 | 202,226           | 32,502            | -  |
| 2020             | 225,212             | -                   | -                 | -                 | -                 | 194,667           | 30,545                                     |
|                  | <u>\$ 2,915,570</u> | <u>\$ 2,005,300</u> | <u>\$ 197,372</u> | <u>\$ 227,521</u> | <u>\$ 227,663</u> | <u>\$ 227,169</u> | <u>\$ 30,545</u>                           |

**CAPITAL ASSETS**

*Capital Assets*—Hewel N̄i'ok̄i's capital assets as of September 30, 2020, amounts to \$709,948 (net of accumulated depreciation), a decrease of \$56,832. Accumulated depreciation through September 30, 2019, on capital assets was \$614,069. Hewel N̄i'ok̄i purchased a mobile storage unit for its KWAK-LP station which has been added to its capital assets. More detailed information can be found in the notes to the financial statements.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS**

In April of 2020, Hewel N̄i'ok̄i received a grant allocation from CPB from the congressional CARES appropriation in the amount of \$112,136. These funds were not made available to Hewel N̄i'ok̄i until the last month of the fiscal year. The impacts of the COVID-19 pandemic delayed obtaining internal approval from the Nation's authorities and legislative council for use and access to these funds. The unexpended funds will be carried forward into fiscal year 2021 for use in stabilizing broadcasting operations of Hewel N̄i'ok̄i. The priority in stabilizing broadcasting services is to address mission critical equipment used in the distribution and transmission of its broadcasting throughout the network and remote maintenance of these operations and transmitter sites. Also of concern is the accommodation of required isolation and quarantining of staff that may be exposed to the outbreak. During this period of curtailing essential services, Hewel N̄i'ok̄i has relied upon virtual on-line meetings applications to meet its public service obligation; legislative gavel to gavel coverage was accomplished through this method as well as providing the means through which the Nation's leadership addressed the Nation on COVID-19 issues and mandates of care.

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The continued challenges of the COVID-19 pandemic will be addressed without impacting the resources and abilities of Hewel N̄i'ok̄i to maintain broadcasting and providing for the public interest of the Nation. Segregated staff presence at each studio and adhering to the Nation's Standard Operating Procedures and guidance will assist in the continuity of services. The stabilization funding provided through the CARES Act and CPB will be an asset in these efforts.

The Nation directed that fiscal year 2021 budgets include a 2.5 % cost of living adjustment for all staff positions and in previous budget formulations, the increased salary and employee benefit expense was included in the base appropriation for Hewel N̄i'ok̄i. Due to the projections that the COVID-19 pandemic will extend well into fiscal year 2021, Hewel N̄i'ok̄i expects to remain at scaled back levels it is currently operating under.

**CONTACTING FINANCIAL MANAGEMENT**

This financial report is designed to provide donors, members, and the general public with a general overview of Hewel N̄i'ok̄i's finances and to account for the funding it receives. It is also intended to help the reader better understand the changes in the financial statement format. Hewel N̄i'ok̄i's annual basic financial statements and reports to CPB are available for public inspection during business hours at Hewel N̄i'ok̄i's main studio located at Arizona State Route 86, milepost 92.4, Covered Wells, Arizona or can be requested by mail at the following address:

Hewel N̄i'ok̄i  
Tohono O'odham Nation  
Post Office Box 837  
Sells, Arizona 85634

## Financial Statements

**Hewel Ñi'okĩ Radio Station**  
**(A Department of the Tohono O'odham Nation)**  
**Governmental Fund Balance Sheet and Statement of Net Position**  
**September 30, 2020**

|                                    | Operating<br>Fund | Adjustments<br>(Note 6) | Statement of<br>Net Position |
|------------------------------------|-------------------|-------------------------|------------------------------|
| <b>Assets</b>                      |                   |                         |                              |
| Current assets                     |                   |                         |                              |
| Due from Nation's general fund     | \$ 187,107        | \$ -                    | \$ 187,107                   |
| Total current assets               | 187,107           | -                       | 187,107                      |
| Capital assets, net                | -                 | 709,948                 | 709,948                      |
| Total assets                       | <u>\$ 187,107</u> | <u>\$ 709,948</u>       | <u>\$ 897,055</u>            |
| <b>Liabilities</b>                 |                   |                         |                              |
| Current liabilities                |                   |                         |                              |
| Accounts payable                   | \$ 23,066         | \$ -                    | \$ 23,066                    |
| Accrued expenses                   | 22,969            | -                       | 22,969                       |
| Unearned revenue                   | 29,757            | -                       | 29,757                       |
| Total current liabilities          | 75,792            | -                       | 75,792                       |
| Accrued compensated absences       | -                 | 44,752                  | 44,752                       |
| Total liabilities                  | 75,792            | 44,752                  | 120,544                      |
| <b>Fund Balance/Net Position</b>   |                   |                         |                              |
| <i>Unassigned</i>                  |                   |                         |                              |
| Fund balance                       | 111,315           | (111,315)               | -                            |
| Total liabilities and fund balance | <u>\$ 187,107</u> | <u>(66,563)</u>         | <u>120,544</u>               |
| Net position                       |                   |                         |                              |
| Net investment in capital assets   |                   | 709,948                 | 709,948                      |
| Unrestricted                       |                   | 66,563                  | 66,563                       |
| Total net position                 |                   | <u>\$ 776,511</u>       | <u>\$ 776,511</u>            |

The accompanying notes are an integral part of these financial statements.

**Hewel Ñi'okĩ Radio Station**  
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**Governmental Fund Balance Sheet and Statement of Net Position**  
**September 30, 2019**

|                                    | Operating<br>Fund | Adjustments<br>(Note 6) | Statement of<br>Net Position |
|------------------------------------|-------------------|-------------------------|------------------------------|
| <b>Assets</b>                      |                   |                         |                              |
| Current assets                     |                   |                         |                              |
| Due from Nation's general fund     | \$ 64,326         | \$ -                    | \$ 64,326                    |
| Total current assets               | 64,326            | -                       | 64,326                       |
| Capital assets, net                | -                 | 766,780                 | 766,780                      |
| Total assets                       | <u>\$ 64,326</u>  | <u>\$ 766,780</u>       | <u>\$ 831,106</u>            |
| <b>Liabilities</b>                 |                   |                         |                              |
| Current liabilities                |                   |                         |                              |
| Accounts payable                   | \$ 11,880         | \$ -                    | \$ 11,880                    |
| Accrued expenses                   | 20,733            | -                       | 20,733                       |
| Unearned revenue                   | 31,713            | -                       | 31,713                       |
| Total current liabilities          | 64,326            | -                       | 64,326                       |
| Accrued compensated absences       | -                 | 42,072                  | 42,072                       |
| Total liabilities                  | <u>64,326</u>     | <u>42,072</u>           | <u>106,398</u>               |
| <b>Fund Balance/Net Position</b>   |                   |                         |                              |
| <i>Unassigned</i>                  |                   |                         |                              |
| Fund balance                       | -                 | -                       | -                            |
| Total liabilities and fund balance | <u>\$ 64,326</u>  | <u>42,072</u>           | <u>106,398</u>               |
| Net position                       |                   |                         |                              |
| Net investment in capital assets   |                   | 766,780                 | 766,780                      |
| Unrestricted (deficit)             |                   | (42,072)                | (42,072)                     |
| Total net position                 |                   | <u>\$ 724,708</u>       | <u>\$ 724,708</u>            |

The accompanying notes are an integral part of these financial statements.



**Hewel Ñi'okĩ Radio Station**  
**(A Department of the Tohono O'odham Nation)**  
**Governmental Fund Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance and Statement of Activities**  
**For the Year Ended September 30, 2020**

|  | Operating<br>Fund        | Adjustments<br>(Note 6)  | Statement of<br>Activities |
|--|--------------------------|--------------------------|----------------------------|
| <b>Revenues</b>  |                          |                          |                            |
| Operating grants   | \$ 227,169               | \$ -                     | \$ 227,169                 |
| Stabilization fund revenue                                   | 112,136                  | -                        | 112,136                    |
| Indirect administrative support                              | 98,763                   | -                        | 98,763                     |
| Donations/contributions                                      | 7,535                    | -                        | 7,535                      |
| Total revenues   | <u>445,603</u>           | <u>-</u>                 | <u>445,603</u>             |
| <b>Expenditures/Expenses</b>                                 |                          |                          |                            |
| Radio station operations                                     |                          |                          |                            |
| Salaries   | 549,081                  | 2,680                    | 551,761                    |
| Fringe benefits  | 169,126                  | -                        | 169,126                    |
| Nation administrative support                                | 98,763                   | -                        | 98,763                     |
| Utilities and communication                                  | 65,556                   | -                        | 65,556                     |
| Miscellaneous expenses                                       | 59,275                   | -                        | 59,275                     |
| Professional services  | 78,903                   | -                        | 78,903                     |
| Capital outlay   | 5,973                    | (5,973)                  | -                          |
| Depreciation   | -                        | 62,805                   | 62,805                     |
| Total expenditures/expenses                                  | <u>1,026,677</u>         | <u>59,512</u>            | <u>1,086,189</u>           |
| Revenues (under) expenditures/expenses<br>before transfers   | (581,074)                | (59,512)                 | (640,586)                  |
| Transfers from the Nation's general fund                     | <u>692,389</u>           | <u>-</u>                 | <u>692,389</u>             |
| Revenues and transfers over (under)<br>expenditures/expenses | 111,315                  | (59,512)                 | 51,803                     |
| Fund balance/net position, beginning of year                 | <u>-</u>                 | <u>724,708</u>           | <u>724,708</u>             |
| <b>Fund balance/net position, end of year</b>                | <u><u>\$ 111,315</u></u> | <u><u>\$ 665,196</u></u> | <u><u>\$ 776,511</u></u>   |

The accompanying notes are an integral part of these financial statements.

**Hewel Ñi'okĩ Radio Station**  
**(A Department of the Tohono O'odham Nation)**  
**Governmental Fund Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance and Statement of Activities**  
**For the Year Ended September 30, 2019**

|  | Operating<br>Fund  | Adjustments<br>(Note 6)  | Statement of<br>Activities |
|--|--------------------|--------------------------|----------------------------|
| <b>Revenues</b>  |                    |                          |                            |
| Operating grants   | \$ 227,663         | \$ -                     | \$ 227,663                 |
| Indirect administrative support  | 176,379            | -                        | 176,379                    |
| Donations/contributions  | 5,425              | -                        | 5,425                      |
| Total revenues   | <u>409,467</u>     | <u>-</u>                 | <u>409,467</u>             |
| <b>Expenditures/Expenses</b>   |                    |                          |                            |
| Radio station operations   |                    |                          |                            |
| Salaries   | 536,635            | 4,247                    | 540,882                    |
| Fringe benefits  | 151,259            | -                        | 151,259                    |
| Nation administrative support  | 176,379            | -                        | 176,379                    |
| Utilities and communication  | 70,273             | -                        | 70,273                     |
| Miscellaneous expenses   | 116,065            | -                        | 116,065                    |
| Professional services  | 72,205             | -                        | 72,205                     |
| Depreciation   | -                  | 75,370                   | 75,370                     |
| Total expenditures/expenses  | <u>1,122,816</u>   | <u>79,617</u>            | <u>1,202,433</u>           |
| Revenues (under) expenditures/expenses<br>before transfers and contributions | (713,349)          | (79,617)                 | (792,966)                  |
| Transfers from the Nation's general fund                                     | <u>713,349</u>     | <u>-</u>                 | <u>713,349</u>             |
| Revenues and transfers over (under)<br>expenditures/expenses                 | -                  | (79,617)                 | (79,617)                   |
| Fund balance/net position, beginning of year                                 | -                  | 804,325                  | 804,325                    |
| <b>Fund balance/net position, end of year</b>                                | <u><u>\$ -</u></u> | <u><u>\$ 724,708</u></u> | <u><u>\$ 724,708</u></u>   |

The accompanying notes are an integral part of these financial statements.

**Hewel Ñi'okĩ Radio Station**  
**(A Department of the Tohono O'odham Nation)**  
**Notes to Financial Statements**  
**September 30, 2020 and 2019**

**1) Summary of Significant Accounting Policies**

Nature of Operations

Hewel Ñi'okĩ Radio Station (Hewel Ñi'okĩ), formally known as KOHN Radio Station (KOHN), is a department of the Tohono O'odham Nation (the "Nation"). Hewel Ñi'okĩ's primary function is to provide public broadcasting to the people of the Nation and surrounding communities.

Reporting Entity

Hewel Ñi'okĩ is one of several departments of the Nation. The financial statements present only the financial position of Hewel Ñi'okĩ and do not purport to, and do not, present fairly the financial position of the Tohono O'odham Nation, and the changes in its financial position and cash flows, where applicable, in conformity with accounting principles generally accepted in the United States of America.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with the accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units.

*Department-Wide Financial Statements*—The department-wide financial statements, which are the statements of net position and statement of activities, are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Nonexchange transactions, in which Hewel Ñi'okĩ gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants, operating subsidies from the Nation's general fund, and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

*Governmental Fund Financial Statements*—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 measurable and available. Hewel Ñi'okĩ considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general 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 of general long-term debt and acquisitions under capital leases are reported as other financing sources.

**Hewel Ñi'okĩ Radio Station**  
**(A Department of the Tohono O'odham Nation)**  
**Notes to Financial Statements**  
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Hewel Ñi'okĩ's only governmental fund is the operating fund, which accounts for all its financial resources.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Interfund Transactions

Interfund services provided or used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/ expenses are accounted for as interfund transactions in the reimbursing fund and as reductions of expenditures/expenses in the funds that are reimbursed.

Capital Assets and Depreciation

Capital assets are presented at historical cost, less accumulated depreciation. Expenditures for additions, improvements, and replacements of capital assets are capitalized while maintenance and repairs, which do not improve or extend the service lives of the respective assets, are expensed as incurred. The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is \$5,000. Depreciation is provided using the straight-line method over estimated useful lives, which is 40 years for buildings, 5-10 years for broadcast equipment, and 5 years for furniture and vehicles.

Income Taxes

As a department of the Tohono O'odham Nation, Hewel Ñi'okĩ is exempt from federal and state income taxes.

Indirect Administrative Support

Administrative support from the Nation consists of the portion of the indirect costs incurred by the Nation and attributable to Hewel Ñi'okĩ's operations including financial management and reporting, human resources, facility and fleet maintenance, purchasing, and information technology support. Administrative support is calculated and recorded as revenue and expense using methods mandated by the Corporation for Public Broadcasting (CPB).

**Hewel Ñi'okĩ Radio Station**  
**(A Department of the Tohono O'odham Nation)**  
**Notes to Financial Statements**  
**September 30, 2020 and 2019**

In-Kind Contributions

Hewel Ñi'okĩ receives donated personal services from nonprofessional volunteers. However, these services are not recorded as revenue and expense in the accompanying financial statements as there is no objective basis available to measure the value of such services. Hewel Ñi'okĩ received approximately 496 donated volunteer hours in 2020 and 514 hours in 2019.

Compensated Absences

Employees of Hewel Ñi'okĩ are granted vacation leave in varying amounts. In the event of termination, an employee is reimbursed for the accumulated vacation leave. All vacation pay is accrued when incurred in the department-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignation and retirements.

Employees of Hewel Ñi'okĩ are granted nonvesting accumulating sick leave. Upon termination, an employee is not entitled to be paid for the accumulated sick leave. Therefore, sick leave benefits are not accrued.

Budgetary Data

The following procedures are used to establish the revenues and expenditures budget data reported as required supplementary information in the accompanying financial statements:

1. The Budget and Finance Committee, working with department directors, submits a proposed budget to the Nation's Legislative Council for adoption. The Council adopts the budget as submitted or modifies the proposed budget before adopting it.
2. Budget changes must be approved by the Budget and Finance Committee.
3. Funded program budgets and changes are subject to funding agency approval.
4. Appropriations lapse at year-end on the Nation's funded budget.
5. The budget for the Nation is adopted on a basis consistent with accounting principles generally accepted in the United States of America.

Net Position and Fund Balances

The difference between fund assets and liabilities is "net position" on the government-wide statements, and "fund balance" on governmental fund statements.

**Hewel Ñi'okĩ Radio Station**  
**(A Department of the Tohono O'odham Nation)**  
**Notes to Financial Statements**  
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Net position is classified in the following three categories:

- ♦ *Net Investment in Capital Assets*—Consist of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes, and other debt that are attributed to the acquisition, construction or improvements of those assets.
- ♦ *Restricted Net Position*—Restricted net position results when constraints placed on an asset's use are either externally imposed by creditors, grantors, and contributions, or imposed by law through constitutional provisions or enabling legislation.
- ♦ *Unrestricted Net Position*—Unrestricted net position consists of net position that does not meet the definition of the two preceding categories.

The governmental fund types classify fund balance as follows:

1. *Nonspendable*—includes amounts that are not in a spendable form or are required to be maintained intact. Examples are inventory or long-term receivables.
2. *Restricted*—includes amounts that can be spent only for the specific purposes imposed by creditors, grantors, contributors, or laws and regulations of other governments. An example is federal grants.
3. *Committed*—includes self-imposed limitations on amounts that can be used only for a specific purpose, set in place prior to the end of the period by a formal action of the Nation's highest level of decision-making authority. Commitments established by the Chairman or Legislative Council may be changed or lifted only by an action of the Chairman or Legislative Council, taking the same formal action that imposed the original constraint. Typically, through resolution from the Nation's council.
4. *Assigned*—comprises amounts intended to be used by for specific purposes. Intent can be expressed by the Chairman or Legislative Council, or by an official, to which the Chairman or Legislative Council delegates the authority. This indicates that resources in governmental funds are, at a minimum, intended to be used for the purpose of that fund.
5. *Unassigned*—is the residual classification and includes all amounts not contained in other fund balance classifications. Unassigned amounts are available for any purpose.

**Hewel Ñi'okĩ Radio Station**  
**(A Department of the Tohono O'odham Nation)**  
**Notes to Financial Statements**  
**September 30, 2020 and 2019**

New GASB Pronouncements

The GASB has issued several statements which have not yet been implemented by Hewel Ñi'okĩ, but will be implemented by the required implementation date. The statement that may have an impact on Hewel Ñi'okĩ's financial statements is as follows:

GASB Statement No. 87, *Leases*—becomes effective for reporting periods beginning after June 15, 2021. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about leasing activities.

Hewel Ñi'okĩ has not fully determined the effect that implementation of this new pronouncement will have on its financial statements.

**2) Capital Assets**

Capital asset activity for the year ended September 30, 2020, is summarized as follows:

|   | Beginning<br>Balance | Increases   | Decreases | Ending<br>Balance |
|---|----------------------|-------------|-----------|-------------------|
| <i>Capital assets being depreciated</i> |                      |             |           |                   |
| Building                                | \$ 652,120           | \$ -        | \$ -      | \$ 652,120        |
| Broadcast equipment                     | 568,828              | 5,973       | -         | 574,801           |
| Vehicles                                | 97,096               | -           | -         | 97,096            |
| Total capital assets being depreciated  | 1,318,044            | 5,973       | -         | 1,324,017         |
| Less accumulated depreciation for       |                      |             |           |                   |
| Building                                | 190,590              | 16,303      | -         | 206,893           |
| Broadcast equipment                     | 313,919              | 33,256      | -         | 347,175           |
| Vehicles                                | 46,755               | 13,246      | -         | 60,001            |
| Total accumulated depreciation          | 551,264              | 62,805      | -         | 614,069           |
| Total capital assets, net               | \$ 766,780           | \$ (56,832) | \$ -      | \$ 709,948        |

**Hewel Ñi'okĩ Radio Station**  
**(A Department of the Tohono O'odham Nation)**  
**Notes to Financial Statements**  
**September 30, 2020 and 2019**

Capital asset activity for the year ended September 30, 2019, is summarized as follows:

|   | Beginning<br>Balance | Increases   | Decreases | Ending<br>Balance |
|---|----------------------|-------------|-----------|-------------------|
| <i>Capital assets being depreciated</i>   |                      |             |           |                   |
| Building                                  | 652,120              | -           | -         | 652,120           |
| Broadcast equipment                       | 568,828              | -           | -         | 568,828           |
| Vehicles                                  | 97,096               | -           | -         | 97,096            |
| Total capital assets being<br>depreciated | 1,318,044            | -           | -         | 1,318,044         |
| Less accumulated depreciation for         |                      |             |           |                   |
| Building                                  | 167,667              | 22,923      | -         | 190,590           |
| Broadcast equipment                       | 274,718              | 39,201      | -         | 313,919           |
| Vehicles                                  | 33,509               | 13,246      | -         | 46,755            |
| Total accumulated depreciation            | 475,894              | 75,370      | -         | 551,264           |
| Total capital assets, net                 | \$ 842,150           | \$ (75,370) | \$ -      | \$ 766,780        |

All depreciation expense is charged to radio station operations.

### 3) Due from Nation and Transfers

At September 30, 2020 and 2019, the Nation's general fund owed Hewel Ñi'okĩ \$187,107 and \$64,326, respectively, for unexpended Corporation for Public Broadcasting grant funds received on Hewel Ñi'okĩ's behalf and unexpended general fund support. In the years ended September 30, 2020 and 2019, the Nation's general fund transferred \$692,389 and \$713,349, respectively, to Hewel Ñi'okĩ to support radio station operations.

Coronavirus Aid, Relief, and Economic Security Act (CARES Act) Stabilization Funds  
Hewel Ni'oki received \$112,136 in CARES Act funding from the Corporation for Public Broadcasting during fiscal year 2020. The funds are considered unrestricted and have no expenditure period. At September 30, 2020, \$111,315 remains unexpended and are shown as unrestricted fund balance and included in amounts due from the Nation's general fund in the governmental fund balance sheet and statement of net position.



**Hewel N̄i'okĩ Radio Station**  
**(A Department of the Tohono O'odham Nation)**  
**Notes to Financial Statements**  
**September 30, 2020 and 2019**

**4) Accrued Compensated Absences**

The following is a summary of Hewel N̄i'okĩ's accrued compensated absences activity for the year ended September 30, 2020:

| <b>Balance</b><br><b>September 30,</b><br><b>2019</b> | <b>Increase</b> | <b>Balance</b><br><b>September 30,</b><br><b>2020</b> | <b>Amount</b><br><b>Due Within</b><br><b>One Year</b> |
|---|-----------------|---|---|
| <u>\$ 42,072</u>                                      | <u>\$ 2,680</u> | <u>\$ 44,752</u>                                      | <u>\$ -</u>   |

The following is a summary of Hewel N̄i'okĩ's accrued compensated absences activity for the year ended September 30, 2019:

| <b>Balance</b><br><b>September 30,</b><br><b>2018</b> | <b>Increase</b> | <b>Balance</b><br><b>September 30,</b><br><b>2019</b> | <b>Amount</b><br><b>Due Within</b><br><b>One Year</b> |
|---|-----------------|---|---|
| <u>\$ 37,825</u>                                      | <u>\$ 4,247</u> | <u>\$ 42,072</u>                                      | <u>\$ -</u>   |

**5) Indirect Administrative Support**

Indirect support from the Nation consists of allocations of the Nation's institutional support and facility operation costs that benefit Hewel N̄i'okĩ Radio Station. It is calculated based upon the indirect cost rate that the Nation annually negotiates with the United States Department of Interior, Interior Business Center, and Indirect Cost Services. For the periods ended September 30, 2020 and 2019, the approved negotiated rate applicable to all programs was 11.75% and 19.93%, respectively. Hewel N̄i'okĩ applied this rate to calculate the total value of administrative support provided by the Nation. The fair value of this support is recognized as operating revenue in the statements of activities and governmental fund revenues, expenditures, and changes in fund balance/net position as indirect administrative support for operations and also in operating expenses as Nation administrative support. The value of this support was \$98,763 and \$176,379 for the years ended September 30, 2020 and 2019, respectively.

**Hewel Ñi'okĩ Radio Station**  
**(A Department of the Tohono O'odham Nation)**  
**Notes to Financial Statements**  
**September 30, 2020 and 2019**

**6) Reconciling Amounts**

At September 30, 2020, total fund balance of Hewel Ñi'okĩ's governmental fund of \$111,315 differs from total net position reported on the statement of net position of \$776,511 because capital assets with a net book value of \$709,948 and accrued compensated absences of \$44,752 are not reported in the funds. Additionally, the change in fund balance of Hewel Ñi'okĩ's governmental fund revenues, expenditures and changes in fund balance was \$111,315, which differs from the increase in net position reported on the statement of activities of \$51,803, by the amount of depreciation expense of \$62,805, plus the compensated absence liability increase of \$2,680, less capital outlay in the amount of \$5,973 for the year.

At September 30, 2019, total fund balance of Hewel Ñi'okĩ's governmental fund of \$0 differs from total net position reported on the statement of net position of \$724,708 because capital assets with a net book value of \$766,780 and accrued compensated absences of \$42,072 are not reported in the funds. Additionally, the change in fund balance of Hewel Ñi'okĩ's governmental fund revenues, expenditures and changes in fund balance was \$0, which differs from the decrease in net position reported on the statement of activities of \$79,617, by the amount of depreciation expense of \$75,370 and the compensated absence liability increase of \$4,247 for the year.

**7) Risk Management**

Hewel Ñi'okĩ and the Nation are exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Nation carries commercial insurance for all such risks of loss. Settled claims have not exceeded commercial insurance coverage for any of the previous three years.

**8) Retirement Plan**

The Nation sponsors and administers the Tohono O'odham Nation 401(k) Retirement Plan (the "Plan"). Each employee shall be eligible to make employee voluntary contributions to the Plan on the first Plan enrollment date on or following the initial date of hire, or the day on which the employee attains the age of eighteen years, whichever occurs last. The Nation will contribute 5% of the employee's compensation to an individual account and will match the employee voluntary contributions at 50% of the employee voluntary contributions up to 5% of the employee's compensation. The

**Hewel Ñi'okĩ Radio Station**  
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**Notes to Financial Statements**  
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employee voluntary contributions are fully vested and not forfeitable at any time. The employer contributions are vested after the completion of four years of service by the employee.

For the years ended September 30, 2020 and 2019, contributions to the Plan by the Nation on behalf of Hewel Ñi'okĩ employees totaled \$30,452 and \$25,944, respectively. Hewel Ñi'okĩ employee voluntary contributions for the years ended September 30, 2020 and 2019, totaled \$12,513 and \$6,229, respectively.

**9) Related Parties**

Hewel Ñi'okĩ's utilities, telephone services, and lease services are provided by the Tohono O'odham Utility Authority. For the years ended September 30, 2020 and 2019, Hewel Ñi'okĩ's utility, communication expense, and lease expense were approximately \$45,911 and \$46,307, respectively.

Hewel Ñi'okĩ's solid waste services are provided by Tohono O'odham Solid Waste. For the years ended September 30, 2020 and 2019, Hewel Ñi'okĩ's solid waste expense was \$1,600 and \$2,040, respectively.

**10) COVID-19 Pandemic**

At the time of this report's release, citizens and the economies of the United States and other countries have been impacted by the coronavirus (COVID-19) pandemic. The World Health Organization declared a Public Health Emergency on January 30, 2020. The evolution of the virus, the extent of its economic impact and the results of steps taken and yet to be taken by governments and financial institutions are unknown. Governments and businesses may face supply chain disruptions, labor shortages, revenue declines, an increase in bad debts, reduced cash flow, difficulties meeting loan covenants, goodwill and inventory impairment, credit difficulties, and other financial implications. The significance and the duration of the pandemic's financial impact are indeterminable.

## Required Supplementary Information

**Hewel Ñi'okĩ Radio Station**  
**(A Department of the Tohono O'odham Nation)**  
**Budgetary Comparison Schedule—Operating Fund**  
**For the Year Ended September 30, 2020**

|  | <b>Budgeted Amounts</b> |                     |                   | <b>Variance with</b> |
|--|-------------------------|---------------------|-------------------|----------------------|
|  | <b>Original</b>         | <b>Final</b>        | <b>Actual</b>     | <b>Final Budget</b>  |
| <b>Revenues</b>                                  |                         |                     |                   |                      |
| Operating grants                                 | \$ 403,722              | \$ 419,402          | \$ 227,169        | \$ (192,233)         |
| Stabilization fund revenue                       | -                       | -                   | 112,136           | 112,136              |
| Indirect administrative support                  | 49,872                  | 50,344              | 98,763            | 48,419               |
| Donations/contributions                          | -                       | -                   | 7,535             | 7,535                |
| Total revenues                                   | <u>453,594</u>          | <u>469,746</u>      | <u>445,603</u>    | <u>(24,143)</u>      |
| <b>Expenditures</b>                              |                         |                     |                   |                      |
| Radio station operations                         |                         |                     |                   |                      |
| Salaries   | 591,072                 | 610,934             | 549,081           | 61,853               |
| Fringe benefits                                  | 206,803                 | 218,436             | 169,126           | 49,310               |
| Nation administrative support                    | 49,872                  | 50,344              | 98,763            | (48,419)             |
| Utilities and communication                      | 66,844                  | 66,844              | 65,556            | 1,288                |
| Miscellaneous expenses                           | 180,507                 | 174,920             | 59,275            | 115,645              |
| Capital outlay                                   | 31,500                  | 31,500              | 5,973             | 25,527               |
| Professional services                            | 88,883                  | 109,678             | 78,903            | 30,775               |
| Total expenditures                               | <u>1,215,481</u>        | <u>1,262,656</u>    | <u>1,026,677</u>  | <u>235,979</u>       |
| Revenues (under) expenditures before transfers   | (761,887)               | (792,910)           | (581,074)         | 211,836              |
| Transfers from the Nation's general fund         | -                       | -                   | 692,389           | 692,389              |
| Revenues and transfers over (under) expenditures | (761,887)               | (792,910)           | 111,315           | 904,225              |
| Fund balance, beginning of year                  | -                       | -                   | -                 | -                    |
| <b>Fund balance, end of year</b>                 | <u>\$ (761,887)</u>     | <u>\$ (792,910)</u> | <u>\$ 111,315</u> | <u>\$ 904,225</u>    |

See note to required supplementary information.

**Hewel Ñi'okĩ Radio Station**  
**(A Department of the Tohono O'odham Nation)**  
**Budgetary Comparison Schedule—Operating Fund**  
**For the Year Ended September 30, 2019**

|  | Budgeted Amounts           |                            |                    | Variance with            |
|--|----------------------------|----------------------------|--------------------|--------------------------|
|  | Original                   | Final                      | Actual             | Final Budget             |
| <b>Revenues</b>                                  |                            |                            |                    |                          |
| Operating grants                                 | \$ 242,420                 | \$ 259,373                 | \$ 227,663         | \$ (31,710)              |
| Indirect administrative support                  | 37,307                     | 35,327                     | 176,379            | 141,052                  |
| Donations/contributions                          | -                          | -                          | 5,425              | 5,425                    |
| Total revenues                                   | <u>279,727</u>             | <u>294,700</u>             | <u>409,467</u>     | <u>114,767</u>           |
| <b>Expenditures</b>                              |                            |                            |                    |                          |
| Radio station operations                         |                            |                            |                    |                          |
| Salaries   | 574,264                    | 549,001                    | 536,635            | 12,366                   |
| Fringe benefits                                  | 195,659                    | 190,803                    | 151,259            | 39,544                   |
| Nation administrative support                    | 37,307                     | 35,326                     | 176,379            | (141,053)                |
| Utilities and communication                      | 87,900                     | 77,595                     | 70,273             | 7,322                    |
| Miscellaneous expenses                           | 119,601                    | 135,542                    | 116,065            | 19,477                   |
| Professional services                            | <u>57,000</u>              | <u>98,437</u>              | <u>72,205</u>      | <u>26,232</u>            |
| Total expenditures                               | <u>1,071,731</u>           | <u>1,086,704</u>           | <u>1,122,816</u>   | <u>(36,112)</u>          |
| Revenues (under) expenditures before transfers   | (792,004)                  | (792,004)                  | (713,349)          | 78,655                   |
| Transfers from the Nation's general fund         | <u>-</u>                   | <u>-</u>                   | <u>713,349</u>     | <u>713,349</u>           |
| Revenues and transfers over (under) expenditures | (792,004)                  | (792,004)                  | -                  | 792,004                  |
| Fund balance, beginning of year                  | <u>-</u>                   | <u>-</u>                   | <u>-</u>           | <u>-</u>                 |
| <b>Fund balance, end of year</b>                 | <u><u>\$ (792,004)</u></u> | <u><u>\$ (792,004)</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 792,004</u></u> |

See note to required supplementary information.

**Hewel Ñi'okĩ Radio Station**  
**(A Department of the Tohono O'odham Nation)**  
**Note to Required Supplementary Information**  
**For the Years Ended September 30, 2020 and 2019**

**1) Budget Information**

The Nation adopts an annual operating budget for Hewel Ñi'okĩ Radio Station on a basis consistent with accounting principles generally accepted in the United States of America. The Nation does not budget for transfers in and out.

**RESOLUTION OF THE TOHONO O'ODHAM LEGISLATIVE COUNCIL**  
**(Accepting and Approving the FY 2020 Hewel Ní'okí Auditor's Report and**  
**Authorizing its Distribution)**

**RESOLUTION NO. 21-109**

1 **WHEREAS,** the Constitution of the Tohono O'odham Nation vests the Legislative Council with  
2 the authority "to manage any funds within the exclusive control of the Tohono  
3 O'odham Nation . . . and to appropriate these funds for the benefit of the nation  
4 and its members" provided that "[a]ll expenditures of these funds shall be  
5 pursuant to appropriations or budgets" authorized by resolution or ordinance  
6 (Constitution, Article VI, Section 1(d)(2)); and

7 **WHEREAS,** the Legislative Council is further vested with the authority "to promote, protect  
8 and provide for public health, peace, morals, education and general welfare of  
9 the Tohono O'odham Nation and its members" (Constitution, Article VI, Section  
10 1(c)(2)); and

11 **WHEREAS,** the Tohono O'odham Nation ("Nation") obtained a license from the Federal  
12 Communications Commission ("FCC") to operate KOHN FM, a non-commercial  
13 educational radio station, and after a year of broadcasting became eligible for  
14 funding from the Corporation for Public Broadcasting ("CPB"), an independent  
15 federal agency; and

16 **WHEREAS,** the Nation operates the KOHN FM radio station as a program under the Executive  
17 Branch as Hewel Ní'okí (Management); and

18 **WHEREAS,** the Nation, on behalf of KOHN FM radio station, applied for and was awarded a  
19 Community Service Grant from CPB for fiscal years 2019 and 2020; and

20 **WHEREAS,** such funding requires that the Nation conduct a stand-alone 2020 audit for Hewel  
21 Ní'okí, operators and managers of KOHN FM radio, for which the Nation engaged  
22 REDW, LLC ("Auditors"); and

23 **WHEREAS,** CPB has adopted new eligibility requirements which state that a grant recipient  
24 of Community Service Grant funding must make its annual financial report  
25 publically available on-line on its website; and

26 **WHEREAS,** the Auditors have completed the FY 2020 Hewel Ní'okí audit in accordance with  
27 the CPB's Principles of Accounting and have submitted the accompanying  
28 Financial Statements for the Fiscal Year Ended September 30, 2020 (collectively,  
29 the "Auditor's Report"); and

30 **WHEREAS,** the Nation's Chairperson and Vice Chairperson, and the Cultural Preservation  
31 and Budget and Finance Committees have reviewed and recommend approval of  
32 the Nation's FY 2020 Hewel Ní'okí Auditor's Report.

33 **NOW, THEREFORE, BE IT RESOLVED** that the Tohono O'odham Legislative Council accepts and  
34 approves the FY 2020 Hewel Ní'okí Auditor's Report.  
35



**RESOLUTION NO. 21-109**

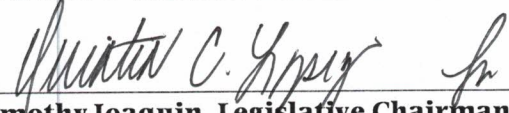
**(Accepting and Approving the FY 2020 Hewel Ñi'okí Auditor's Report and Authorizing its Distribution)**  
**Page 2 of 3**

**BE IT FURTHER RESOLVED** by the Tohono O'odham Legislative Council that the Tohono O'odham Nation chairperson or any designated official is authorized to release the FY 2020 Hewel Ñi'okí Auditor's Report to the Corporation for Public Broadcasting, the federal clearinghouse, and respective agencies.


**BE IT FINALLY RESOLVED** by the Tohono O'odham Legislative Council that the Tohono O'odham Nation chairperson or any designated official is authorized to provide public access to the FY 2020 Hewel Ñi'okí Auditor's Report by posting it on the Hewel Ñi'okí page of the Nation's website.

The foregoing Resolution was passed by the Tohono O'odham Legislative Council on the 07<sup>TH</sup> day of APRIL, 2021 at a meeting at which a quorum was present with a vote of 3,175.7 FOR; -0- AGAINST; -0- NOT VOTING; and [02] ABSENT, pursuant to the powers vested in the Council by Article VI, Section 1(c)(2) and Section 1(d)(2) and (3) of the Constitution of the Tohono O'odham Nation, adopted by the Tohono O'odham Nation on January 18, 1986; and approved by the Acting Deputy Assistant Secretary - Indian Affairs (Operations) on March 6, 1986, pursuant to Section 16 of the Act of June 18, 1934 (48 Stat.984).

**TOHONO O'ODHAM LEGISLATIVE COUNCIL**

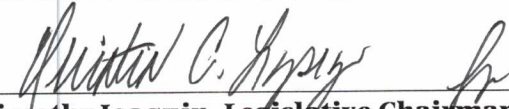
  
\_\_\_\_\_  
Timothy Joaquin, Legislative Chairman  
12 day of April, 2021

**ATTEST:**

  
\_\_\_\_\_  
Evonne Wilson, Legislative Secretary  
7 day of April, 2021

Said Resolution was submitted for approval to the office of the Chairman of the Tohono O'odham Nation on the 13 day of April, 2021 at 12:55 o'clock, P.m., pursuant to the provisions of Section 5 of Article VII of the Constitution and will become effective upon his approval or upon his failure to either approve or disapprove it within 48 hours of submittal.

**TOHONO O'ODHAM LEGISLATIVE COUNCIL**

  
\_\_\_\_\_  
Timothy Joaquin, Legislative Chairman

RESOLUTION NO. 21-109

(Accepting and Approving the FY 2020 Hewel Ní'oki Auditor's Report and Authorizing its Distribution)

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☒ APPROVED

on the 13 day of April, 2021

☐ DISAPPROVED

at 2:33 o'clock, P.m.

Ned Norris, Jr.  
NED NORRIS, JR., CHAIRMAN  
TOHONO O'ODHAM NATION

Returned to the Legislative Secretary on the 13 day of

April, 2021, at 3:30 o'clock, P.m.

Evonne Wilson  
Evonne Wilson, Legislative Secretary

**ACTION: ACCEPTING AND APPROVING THE FY 2020 HEWEL ÑI'OKĪ AUDITOR'S REPORT AND AUTHORIZING ITS DISTRIBUTION**

**Moved: COUNCILMAN ARTHUR WILSON**

**SECOND: COUNCILWOMAN MARLAKAY HENRY**

**DATE: APRIL 07, 2021**

| DISTRICT                    | LEGISLATIVE REPRESENTATIVES  | # OF VOTES       | FOR            | AGAINST    | NOT VOTING | ABSENT      |
|-----------------------------|--|------------------|----------------|------------|------------|-------------|
| <b>BABOQUIVARI</b><br>384.8 | 1. LEANDER MASE<br>(Francine Schooling)<br>2. ALBERTA J. RAY<br>(Frances G. Antone)                          | 192.40<br>192.40 | X<br>X         |            |            |             |
| <b>CHUKUT KUK</b><br>347.5  | 1. VIVIAN JUAN-SAUNDERS<br>(Juanita Homer)<br>2. MARLAKAY HENRY<br>(Billman Lopez)                           | 173.75<br>173.75 | X<br>X         |            |            |             |
| <b>GU ACHI</b><br>279.3     | 1. VICTORIA HOBBS<br>( )<br>2. TIMOTHY L. JOAQUIN ( <i>Absent</i> )<br>(Louis L. Johnson) ( <i>Present</i> ) | 139.65<br>139.65 | X<br>X         |            |            | X           |
| <b>GU VO</b><br>264.5       | 1. DALLAS LEWIS<br>(Nacho Flores)<br>2. GRACE MANUEL<br>( )  | 132.25<br>132.25 | X<br>X         |            |            |             |
| <b>HICKIWAN</b><br>213.8    | 1. SANDRA D. ORTEGA<br>( )<br>2. LOUIS R. LOPEZ<br>(Delma M. Garcia)   | 106.90<br>106.90 | X<br>X         |            |            |             |
| <b>PISINEMO</b><br>230.7    | 1. MONICA K. MORGAN<br>( )<br>2. MARIETTA MARTIN<br>( )  | 115.35<br>115.35 | X<br>X         |            |            |             |
| <b>SAN LUCY</b><br>235.6    | 1. GLORIA RAMIREZ<br>( )<br>2. JANA MONTANA<br>(Lorraine M. Eiler)   | 117.80<br>117.80 | X<br>X         |            |            |             |
| <b>SAN XAVIER</b><br>238.9  | 1. JANICE FELIX<br>(Adam Andrews)<br>2. DANIEL L.A. PRESTON III<br>(Racheal Vilson-Stoner)                   | 119.45<br>119.45 | X<br>X         |            |            | X           |
| <b>SCHUK TOAK</b><br>189.0  | 1. QUINTIN C. LOPEZ<br>(Agnes V. Joaquin)<br>2. TERESA F. DONAHUE<br>(Alberta Espinoza)                      | 94.50<br>94.50   | X<br>X         |            |            |             |
| <b>SELLS</b><br>547.1       | 1. EVELYN JUAN MANUEL<br>( )<br>2. ARTHUR WILSON<br>( )  | 273.55<br>273.55 | X<br>X         |            |            |             |
| <b>SIF OIDAK</b><br>244.5   | 1. LUCINDA ALLEN<br>(Yolonda Garcia)<br>2. MARY LOPEZ<br>(Ann M. Garcia)                                     | 122.25<br>122.25 | X<br>X         |            |            |             |
| <b>TOTAL</b>                |  | <b>3,175.7</b>   | <b>3,175.7</b> | <b>-0-</b> | <b>-0-</b> | <b>[02]</b> |