



Financial statements for the fiscal year ended June 30, 2022 with summarized financial information for the fiscal year ended June 30, 2021

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Report of Independent Auditors

To the Members of the School Board
Salt River Pima-Maricopa Indian Community Schools

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Salt River Pima-Maricopa Indian Community Schools (the Schools) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Schools' basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Salt River Pima-Maricopa Indian Community Schools as of June 30, 2022, and the respective changes in financial position thereof for the year 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 present only the Schools, and do not purport to, and do not, present fairly the financial position of the Salt River Pima-Maricopa Indian Community, as of June 30, 2022, and the changes in its financial position and cash flows, where applicable, for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Schools and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Schools' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, 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 amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Schools' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Schools' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 4 through 11, the schedule of proportionate share of net position liability on page 42, and the schedule of pension contributions on page 43 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Salt River Pima-Maricopa Indian Community Schools' basic financial statements. The schedule of expenditures of federal awards and non-federal 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*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and non-federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 1, 2023 on our consideration of Salt River Pima-Maricopa Indian Community Schools' 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 Salt River Pima-Maricopa Indian Community Schools' 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 Salt River Pima-Maricopa Indian Community Schools' internal control over financial reporting and compliance.



Bellingham, Washington
February 1, 2023

Salt River Schools
(a component unit of the Salt River Pima-Maricopa Indian Community)

Management's Discussion and Analysis
For the fiscal year ended June 30, 2022

Management's Discussion and Analysis

As management of the Salt River Pima-Maricopa Indian Community Schools (the "School"), we offer the readers of the School's financial statements this narrative overview and analysis of the financial activities of the School for the fiscal year ended June 30, 2022.

Financial Highlights

The assets of the School exceeded its liabilities at June 30, 2022 by \$19,988,977 (net position); which is an increase of \$1,397,819 (7.5%) compared to June 30, 2021.

Government-wide expenses of \$12,717,046 decreased by \$1,900,024 (-13.0%) compared to the fiscal year ended June 30, 2021. The change by function is as follows:

	2022	2021	Change	
Instruction services	\$ 6,667,290	\$ 7,625,475	\$ (958,185)	-12.57%
Supportive services	4,502,970	5,793,174	(1,290,204)	-22.27%
Child nutrition	616,672	169,917	446,755	262.93%
Student transportation	508,186	619,152	(110,966)	-17.92%
Campus security	421,928	409,352	12,576	3.07%
Total expenses	<u>\$12,717,046</u>	<u>\$14,617,070</u>	<u>\$ (1,900,024)</u>	-13.00%

Long-term liabilities consists of compensated absences and net pension liability. Compensated absences decreased by \$13,441 (-0.9%) over the prior year; and net pension liability decreased by \$2,795,642 (-67.9%) compared to last year.

At the close of the current fiscal year, the School's governmental funds reported combined ending fund balance of \$8,792,044, which is a \$1,025,432 (13.2%) increase from the prior year.

Operating grants of \$11,109,055 increased by \$969,063 (9.6%) compared to June 30, 2021. The School's general fund and capital improvement costs are supported by the Community government, which included contributions of \$3,048,119 for operational expenditures.

	2022	2021	Change	
Operating grants	\$11,109,055	\$10,139,992	\$ 969,063	9.6%
Contributions from the Community	3,048,119	3,447,042	(398,923)	-11.6%
Other	(42,309)	480,556	(522,865)	-108.8%
Total revenues	<u>\$14,114,865</u>	<u>\$14,067,590</u>	<u>\$ 47,275</u>	0.3%

At the beginning of the fiscal year, the Community adopted a resolution committing a contribution to the School in the amount not to exceed \$4,573,314.

Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to the School's basic financial statements. The basic financial statements comprise of three components.

1. Government-wide financial statements,
2. Fund financial statements, and
3. Notes to the financial statements.

This report also contains required supplemental information and supplemental information in addition to the basic financial statements.

Government-wide Financial Statements

The government-wide statements are designed to provide readers with a broad overview of the School's finances in a manner similar to the reporting used by a private-sector business.

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

The statement of activities presents information showing how the School's net position changed during the most current fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for items that may result in cash flows in future fiscal periods (such an example are earned but unused vacation leave).

The statement of activities distinguishes expenses by function and matches the direct revenue generated by a function back to the function to show the net expense or revenue of the function. The School's functions included basic education, special education, remedial education, Indian education, training, supportive services, child nutrition, student transportation, and campus security. The net expense of these functions per the Statement of Activities is \$1,607,991.

The government-wide financial statements can be found on pages 12 through 13 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for the specific purposes or objectives. The School uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The basic governmental fund financial statements can be found on pages 14 through 17.

Fiduciary funds are used to account for resources held for the benefit of parties outside the reporting entity (the School). Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the School's own programs.

The basic fiduciary fund financial statement can be found on page 18 through 19.

Notes to the Financial Statements

The notes provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 20 through 34 of this report.

Required Supplemental Information

This information includes the funding progress of cost-sharing multiple-employer defined benefit pension plan that the School's participates. This plan is the Arizona State Retirement System and participation is part of the Charter School's contract for the High School and Accelerated Learning Academy. These schedules can be found on pages 42 through 44 of this report.

Supplemental Information

The last section of the financial statements is a section called supplemental information, which provides a schedule of expenditures of federal awards and notes to schedule of expenditures of federal and non-federal awards. These schedules can be found on pages 46 through 48 of this report.

Government-wide Financial Analysis

Net position - Net position may serve over time as a useful indicator of a government's financial position. In the case of the School, assets exceeded liabilities by \$19,988,977 at the close of this fiscal year.

By far the largest portion of the School's net position reflect its investment in capital assets (buildings, vehicles, machinery, equipment, and land improvements). The School uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. The remaining net position is restricted to specific school activities and is reflective in its cash and cash equivalents and receivables; less any related payables that are anticipated to be paid in the near future (such examples include accrued wages and accounts payable); and unrestricted (deficit) that results from long term liabilities including estimated pension liabilities; and deferred inflow of resources related to pensions.

	Net Position As of June 30		
	2022	2021	2020
Assets			
Current assets	\$14,177,315	\$14,327,624	\$ 8,165,562
Net other postemployment benefits asset	48,331	16,659	7,937
Capital assets	15,562,256	16,461,723	17,781,071
Total assets	<u>29,787,902</u>	<u>30,806,006</u>	<u>25,954,570</u>
Deferred outflows of resources	<u>458,753</u>	<u>908,069</u>	<u>429,969</u>
Liabilities			
Current liabilities	5,385,271	6,561,012	671,765
Noncurrent liabilities	2,775,216	5,584,299	5,160,742
Total liabilities	<u>8,160,487</u>	<u>12,145,311</u>	<u>5,832,507</u>
Deferred inflows of resources	<u>2,097,191</u>	<u>977,606</u>	<u>1,411,394</u>
Net position			
Net investment in capital assets	15,562,256	16,461,723	17,781,071
Restricted	7,385,112	6,314,567	6,554,795
Unrestricted (deficit)	<u>(2,958,391)</u>	<u>(4,185,132)</u>	<u>(5,195,228)</u>
Total net position	<u>\$19,988,977</u>	<u>\$18,591,158</u>	<u>\$19,140,638</u>

At the end of the current fiscal year, the School is able to report positive balances in both net investment in capital assets and restricted net position; a negative balance is reported in unrestricted net position.

Salt River Schools
(a component unit of the Salt River Pima-Maricopa Indian Community)

Management's Discussion and Analysis
For the fiscal year ended June 30, 2022

Change in net position

The main reason for the \$1,397,819 increase in net position during the fiscal year ended June 30, 2022 is the \$11,109,055 in operating grant revenue and \$3,048,119 in contributions from the Community offset by \$12,717,046 of expenses.

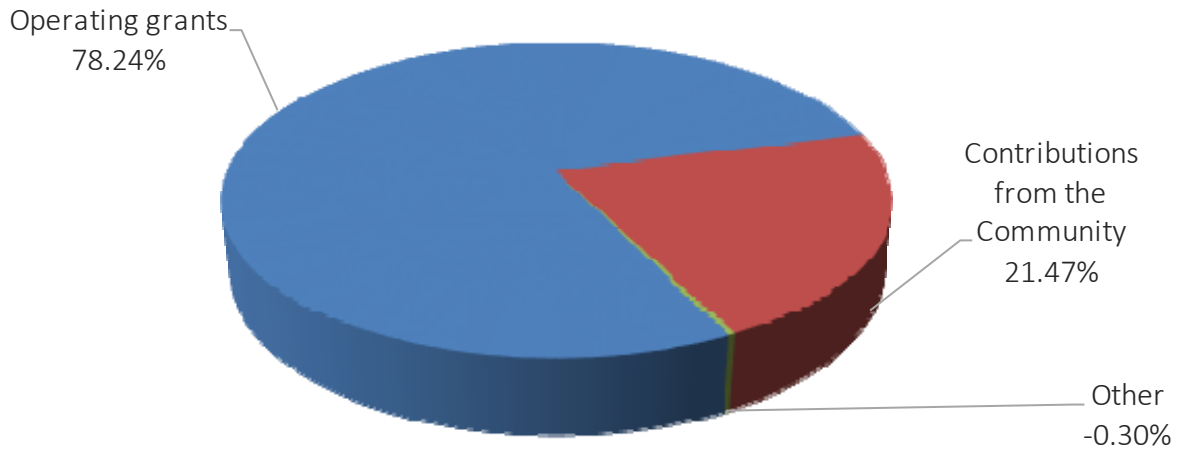
	Change in Net Position Fiscal year ended June 30		
	2022	2021	2020
Revenues			
Program			
Operating grants	\$11,109,055	\$10,139,992	\$11,644,109
General			
Contributions from the Community	3,048,119	3,447,042	5,668,793
Interest income	-	-	3,942
Gain on disposal of assets	-	-	-
Other	(42,309)	480,556	(30,752)
Total revenues	<u>14,114,865</u>	<u>14,067,590</u>	<u>17,286,092</u>
Expenses			
Instruction	6,667,290	7,625,475	8,612,414
Supportive services	4,502,970	5,793,174	5,713,353
Child nutrition	616,672	169,917	834,426
Student transportation	508,186	619,152	674,061
Campus security	421,928	409,352	499,049
Total expenses	<u>12,717,046</u>	<u>14,617,070</u>	<u>16,333,303</u>
Change in net position	1,397,819	(549,480)	952,789
Net position, beginning	<u>18,591,158</u>	<u>19,140,638</u>	<u>18,187,849</u>
Net position, ending	<u>\$19,988,977</u>	<u>\$18,591,158</u>	<u>\$19,140,638</u>

Change in net position differences

The \$1,947,299 increase in the change in net position for the June 30, 2022 compared to the June 30, 2021 is due to a \$1,290,204 decrease in supportive services, a \$969,063 increase in operating grant revenue, a \$958,185 decrease in instruction, and a \$110,966 decrease in student transportation offset by a \$522,865 decrease in other revenues, a \$446,755 increase in child nutrition, and a \$398,923 decrease in contributions from the Community.

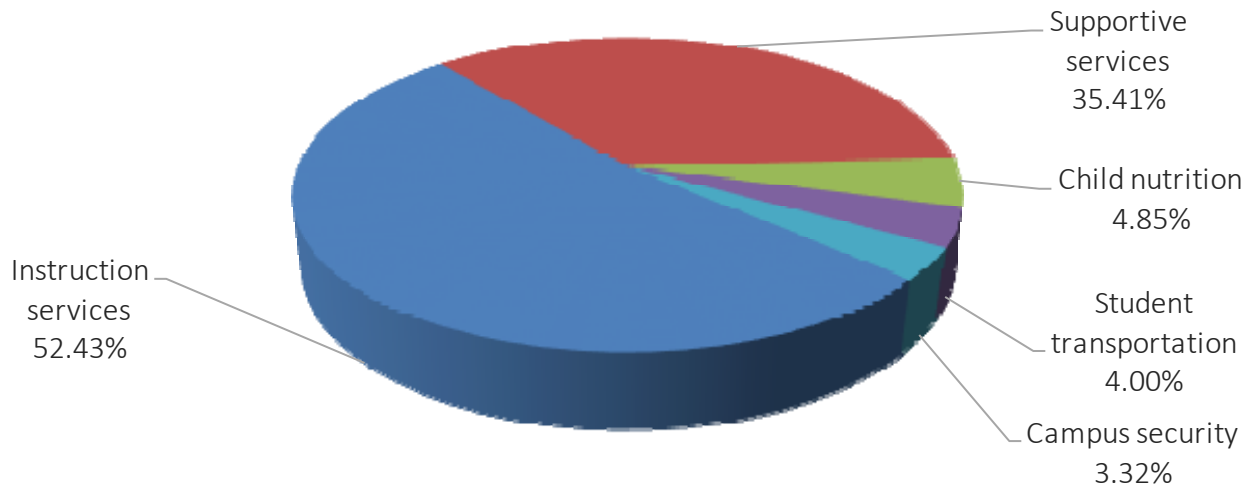
Governmental Activities Revenue

The School's revenues are sourced from federal and state agencies and the Community. The following figure shows the sources of revenues for the fiscal year ended June 30, 2022.



Governmental Activities Expenses

The following figure shows the outflows of resources for the fiscal year ended June 30, 2022.



Salt River Schools
(a component unit of the Salt River Pima-Maricopa Indian Community)

Management's Discussion and Analysis
For the fiscal year ended June 30, 2022

Financial Analysis of the School's Funds

As noted earlier, the School uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the School's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School's financing requirements.

As of the end of the current fiscal year, the School's governmental funds reported combined ending fund balances of \$8,792,044, an increase of \$1,025,432 in comparison with the prior year. This fund balance reflects the cumulative excess of revenues over expenditures resulting from formula grants provided by the federal government and the State of Arizona and cumulative contributions from the Community in excess of expenditures. The following are highlights of School's Governmental Revenues, Expenditures and Changes in Fund Balances:

	2022	2021	2020
Revenues			
Federal and state	\$11,109,055	\$10,139,992	\$11,639,109
Contributions from the Community	3,048,119	3,447,042	5,668,792
Interest income	-	-	3,942
Other	62,210	23,000	1,205
Total revenues	<u>14,219,384</u>	<u>13,610,034</u>	<u>17,313,048</u>
Expenditures	<u>13,193,952</u>	<u>13,337,219</u>	<u>15,864,247</u>
Net changes in fund balances	1,025,432	272,815	1,448,801
Fund balances, beginning	<u>7,766,612</u>	<u>7,493,797</u>	<u>6,044,996</u>
Fund balances, ending	<u>\$ 8,792,044</u>	<u>\$ 7,766,612</u>	<u>\$ 7,493,797</u>

Capital Assets

The School's investment in capital assets net of accumulated depreciation for its governmental activities at June 30, 2022 amounts to \$15,562,256. This investment in capital assets includes land improvements, buildings and improvements, and machinery and equipment. The School has no outstanding debt. The following summarizes the School's net capital assets:

	2022	2021	2020
Buildings and improvements	\$14,828,822	\$15,979,173	\$17,129,523
Vehicles, machinery, and equipment	606,840	462,369	628,496
Land improvements	17,309	20,181	23,052
Construction in progress	109,285	-	-
Capital assets, net	<u>\$15,562,256</u>	<u>\$16,461,723</u>	<u>\$17,781,071</u>

The largest portion of the School's net capital assets is buildings and improvements.

Economic Factors & Next Year's Budget

The School is dependent on federal and state financial assistance and contributions from the Community. Therefore, the School is subject to the availability of such funds and the School's compliance with federal and state rules and regulations.

The Community Council has approved a budget of \$4,529,004 for the 2023 fiscal year.

Contacting the School's Financial Management

This financial report is designed to provide a general overview of the School's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Alice Tithof, Acting Finance Director, 10005 E. Osborn Road, Scottsdale, AZ 85256 (480) 362-2500.

Salt River Schools
(a component unit of the Salt River Pima-Maricopa Indian Community)

Statement of Net Position
June 30, 2022

	<u>2022</u>	<u>2021</u>
Assets		
Current assets		
Pooled cash	\$ 13,200,567	\$ 13,795,872
Receivables		
Accounts, net	448	248
Grants	976,300	497,504
Prepays	-	34,000
Total current assets	<u>14,177,315</u>	<u>14,327,624</u>
Net other postemployment benefits asset	48,331	16,659
Capital assets, net		
Construction in progress	109,285	-
Buildings and improvements	14,828,822	15,979,173
Vehicles, machinery, and equipment	606,840	462,369
Land improvements	17,309	20,181
Total capital assets, net	<u>15,562,256</u>	<u>16,461,723</u>
Total assets	<u>29,787,902</u>	<u>30,806,006</u>
Deferred outflows of resources		
Net pension and other postemployment benefits	458,753	908,069
Liabilities		
Current liabilities		
Accounts payable	150,499	136,124
Accrued payroll	499,425	517,796
Due to the Community	84,370	312,776
Unearned revenue	4,650,977	5,594,316
Total current liabilities	<u>5,385,271</u>	<u>6,561,012</u>
Noncurrent liabilities		
Compensated absences	1,455,263	1,468,704
Net pension and other postemployment benefits liability	1,319,953	4,115,595
Total noncurrent liabilities	<u>2,775,216</u>	<u>5,584,299</u>
Total liabilities	<u>8,160,487</u>	<u>12,145,311</u>
Deferred inflows of resources		
Net pension and other postemployment benefits	2,097,191	977,606
Net position		
Net investment in capital assets	15,562,256	16,461,723
Restricted	7,385,112	6,314,567
Unrestricted (deficit)	(2,958,391)	(4,185,132)
Total net position	<u>\$ 19,988,977</u>	<u>\$ 18,591,158</u>

Salt River Schools
(a component unit of the Salt River Pima-Maricopa Indian Community)

Statement of Activities
For the fiscal year ended June 30, 2022

	2022			2021		
	Expenses	Operating Grants	Governmental Activities	Expenses	Operating Grants	Governmental Activities
			Net (Expense) Revenue and Changes in Net Position			Net (Expense) Revenue and Changes in Net Position
Governmental activities						
Instruction						
Basic education	\$ 4,541,951	\$ 5,610,791	\$ 1,068,840	\$ 5,257,226	\$ 4,303,471	\$ (953,755)
Special education	1,219,497	1,514,429	294,932	1,348,190	1,458,704	110,514
Remedial education	294,744	72,685	(222,059)	420,942	30,848	(390,094)
Indian education	500,880	309,951	(190,929)	549,495	314,339	(235,156)
Training	110,218	53,358	(56,860)	49,622	139,783	90,161
Total instruction	6,667,290	7,561,214	893,924	7,625,475	6,247,145	(1,378,330)
Supportive services	4,502,970	2,953,747	(1,549,223)	5,793,174	3,873,478	(1,919,696)
Child nutrition	616,672	478,693	(137,979)	169,917	(124,386)	(294,303)
Student transportation	508,186	115,376	(392,810)	619,152	128,256	(490,896)
Campus security	421,928	25	(421,903)	409,352	15,499	(393,853)
Total governmental activities	<u>12,717,046</u>	<u>11,109,055</u>	<u>(1,607,991)</u>	<u>14,617,070</u>	<u>10,139,992</u>	<u>(4,477,078)</u>
General revenues and contributions						
Contributions from the Community			3,048,119			3,447,042
Other			<u>(42,309)</u>			<u>480,556</u>
Change in net position			1,397,819			(549,480)
Net position, beginning			<u>18,591,158</u>			<u>19,140,638</u>
Net position, ending			<u>\$ 19,988,977</u>			<u>\$ 18,591,158</u>

Salt River Schools
(a component unit of the Salt River Pima-Maricopa Indian Community)

Balance Sheet
June 30, 2022

	2022			2021		
	Community	Grant	Total	Community	Grant	Total
Assets						
Pooled cash	\$ 632,359	\$12,568,208	\$13,200,567	\$ 946,318	\$12,849,554	\$13,795,872
Receivables						
Accounts, net	448	-	448	248	-	248
Grants	-	976,300	976,300	-	497,504	497,504
Prepays	-	-	-	-	34,000	34,000
Total assets	\$ 632,807	\$13,544,508	\$14,177,315	\$ 946,566	\$13,381,058	\$14,327,624
Liabilities and fund balances						
Liabilities						
Accounts payable	\$ 49,012	\$ 101,487	\$ 150,499	\$ 115,994	\$ 20,130	\$ 136,124
Accrued payroll	499,425	-	499,425	517,796	-	517,796
Due to the Community	84,370	-	84,370	312,776	-	312,776
Unearned revenue	-	4,650,977	4,650,977	-	5,594,316	5,594,316
Total liabilities	632,807	4,752,464	5,385,271	946,566	5,614,446	6,561,012
Fund balances						
Nonspendable	-	-	-	-	34,000	34,000
Restricted	-	8,792,044	8,792,044	-	7,732,612	7,732,612
Total fund balances	-	8,792,044	8,792,044	-	7,766,612	7,766,612
Total liabilities and fund balances	\$ 632,807	\$13,544,508	\$14,177,315	\$ 946,566	\$13,381,058	\$14,327,624

Salt River Schools
(a component unit of the Salt River Pima-Maricopa Indian Community)

Reconciliation of the Balance Sheet to the Statement of Net Position
June 30, 2022

	2022	2021
Total fund balances of governmental funds	\$ 8,792,044	\$ 7,766,612
Some assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Net other postemployment benefits asset	48,331	16,659
Capital assets	15,562,256	16,461,723
Some liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Compensated absences	(1,455,263)	(1,468,704)
Net pension liability	(1,319,953)	(4,115,595)
Deferred outflows and inflows of resources are applicable to future periods and therefore are not reported in the governmental funds.		
Deferred outflows of resources related to pensions	458,753	908,069
Deferred inflows of resources related to pensions	(2,097,191)	(977,606)
Net position of governmental activities	\$ 19,988,977	\$ 18,591,158

Salt River Schools
(a component unit of the Salt River Pima-Maricopa Indian Community)

Statement of Revenues, Expenditures, and Changes in Fund Balances
For the fiscal year ended June 30, 2022

	2022			2021		
	Community	Grant	Total	Community	Grant	Total
Revenues						
Intergovernmental						
Federal and State	\$ -	\$11,109,055	\$11,109,055	\$ -	\$10,139,992	\$10,139,992
Community	3,048,119	-	3,048,119	3,447,042	-	3,447,042
Total intergovernmental	3,048,119	11,109,055	14,157,174	3,447,042	10,139,992	13,587,034
Other	62,210	-	62,210	23,000	-	23,000
Total revenues	3,110,329	11,109,055	14,219,384	3,470,042	10,139,992	13,610,034
Expenditures						
Current						
Instruction						
Basic education	\$ 53,478	\$ 3,906,762	\$ 3,960,240	\$ 84,144	\$ 4,118,716	\$ 4,202,860
Special education	49,446	1,256,244	1,305,690	86,843	1,230,655	1,317,498
Remedial education	212,318	81,719	294,037	344,754	66,157	410,911
Indian education	179,296	319,854	499,150	181,283	323,637	504,920
Training	395	109,823	110,218	307	49,315	49,622
Total instruction	494,933	5,674,402	6,169,335	697,331	5,788,480	6,485,811
Campus security	404,632	25	404,657	385,622	250	385,872
Supportive services	1,803,785	3,384,536	5,188,321	2,264,109	3,623,741	5,887,850
Child nutrition	159,134	478,693	637,827	(311,337)	445,566	134,229
Student transportation	247,845	134,389	382,234	434,317	9,140	443,457
Capital outlay	-	411,578	411,578	-	-	-
Total expenditures	3,110,329	10,083,623	13,193,952	3,470,042	9,867,177	13,337,219
Net changes in fund balances	-	1,025,432	1,025,432	-	272,815	272,815
Fund balances, beginning	-	7,766,612	7,766,612	-	7,493,797	7,493,797
Fund balances, ending	\$ -	\$ 8,792,044	\$ 8,792,044	\$ -	\$ 7,766,612	\$ 7,766,612

Salt River Schools
(a component unit of the Salt River Pima-Maricopa Indian Community)

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances to the Statement of Activities
For the fiscal year ended June 30, 2022

	2022	2021
Net changes in fund balances of governmental funds	\$ 1,025,432	\$ 272,815
<p>Governmental funds report capital outlays as expenditures. However, in the governmental activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay expenditures	411,578	-
Depreciation expense	(1,311,045)	(1,319,348)
<p>Governmental funds do not report the change in compensated absences as expenditures because it does not consume current resources.</p>		
	13,441	(521,765)
<p>Pension and other post-employment benefit expenditures are recorded on a cash basis in the governmental funds. However, in the governmental activities they are recorded on an accrual basis.</p>		
	1,306,009	561,263
<p>Current year's reconciliation of prior year estimates related to the pension and other post-employment benefits is recorded in the governmental activities and is not recorded in the governmental funds.</p>		
	(47,596)	457,555
Change in net position of governmental activities	\$ 1,397,819	\$ (549,480)

Salt River Schools
(a component unit of the Salt River Pima-Maricopa Indian Community)

Statement of Fiduciary Net Position
June 30, 2022

	Custodial Funds	
	2022	2021
Assets		
Pooled cash	\$ 14,659	\$ 15,235
Total assets	<u>\$ 14,659</u>	<u>\$ 15,235</u>
Net position		
Restricted for		
Individuals, organizations, and other governments	\$ 14,659	\$ 15,235
Total net position	<u>\$ 14,659</u>	<u>\$ 15,235</u>

Salt River Schools
(a component unit of the Salt River Pima-Maricopa Indian Community)

Statement of Changes in Fiduciary Net Position
For the fiscal year ended June 30, 2022

	Custodial Funds	
	2022	2021
Additions		
Contributions		
Gifts and bequests	\$ 5,756	\$ 1,200
Deductions		
Organization and club expenses	6,332	-
Net increase (decrease) in net position	(576)	1,200
Net position, beginning	15,235	14,035
Net position, ending	\$ 14,659	\$ 15,235

Note 1 - Description of Operations and Summary of Significant Accounting Policies

Reporting entity - The Salt River Pima-Maricopa Indian Community Schools (the "School") is located east of Scottsdale, Arizona in the Salt River Maricopa Indian Community (the "Community") and is operated under the authority of its School Board. The School Board receives its administrative powers from the Community Council under Tribal Ordinance No. SRO-224-97 and consists of nine voting members, who are elected by the Community Council. The School is part of the Education Division of the Community. The School's financial statements do not include other activity of the Education division or the Community. The School is a component unit of the Community as defined by the Governmental Accounting Standards Board ("GASB").

The School commenced operations as a grant and charter school on July 1, 1996. Authority for operation as a grant school is provided under U.S. Public Law 100-297. The School also operates under charter funding provided by the Arizona Department of Education. The School provides an accredited basic education for kindergarten through grade 12 along with supplementary programs and services to meet identified student needs.

Basis of presentation - The basic financial statements include both government-wide statements and fund financial statements. The government-wide statements focus on the School as a whole, while the fund financial statements focus on major funds. Each presentation provides valuable information that can be analyzed and compared between years and between governments to enhance the usefulness of the information.

The government-wide financial statements include a statement of net position and statement of activities to report information on all non-fiduciary activities of the School. The School has no business-type activities. Governmental activities are financed primarily through operating grants and contributions from the Community. The government-wide statement of activities reflects the cost of the School's programs and functions (basic education, special education, remedial education, and Indian education, campus security, supportive services, instructional training, child nutrition, and student transportation) reduced by directly associated revenues (operating grants) to arrive at the net revenue or expense for each program and function. Net program revenue or expense for governmental activities is then adjusted for general revenues and contributions from the Community to determine the change in net position for the year. When both restricted and unrestricted resources are available for use, it is the School's policy to use restricted resources first, and then unrestricted resources as they are needed.

Note 1 - Description of Operations and Summary of Significant Accounting Policies (continued)

The governmental fund financial statements provide information about the School's funds. The School reports the major governmental funds:

Community – education and administrative expenditures funded through contributions from the Community.

Grant – accounts for revenues and expenditures related to funding from Federal and state agencies and other organizations.

The fiduciary fund financial statements provide information about assets and liabilities held on behalf of others. Organizations and clubs raise funds, but the School holds funds.

Basis of accounting - The financial statements of the School have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The fiduciary funds are custodial in nature and do not have a measurement focus but utilize the accrual basis of accounting for reporting its assets and liabilities. Revenues are recorded when earned and expenses are recorded when liabilities are incurred, regardless of when the related cash flow takes place. Other receipts become measurable and available when cash is received by the School and are recognized as revenue at that time.

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School considers all revenues available if the revenues are collected within 60 days of the current fiscal year-end. Expenditures generally are recorded when a liability is incurred. However, compensated absences are recognized as expenditures when payment is made. General capital asset acquisitions are reported as expenditures in the governmental fund.

Use of estimates - The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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 revenue and expenditures during the reported period. Actual results could differ from those estimates.

Note 1 - Description of Operations and Summary of Significant Accounting Policies (continued)

Budgets - Budgets are adopted as management tools on an annual basis consistent with U.S. generally accepted accounting principles. The School Board has the authority to enact, adopt and amend the budgets, subject to approval by the Community Council.

The governmental funds consist of federal and state grants and contracts. Whereas the grants and contracts can be modified by the funding source throughout the year, the adopted budgets are not necessarily amended. Because the School did not adopt a legally appropriated budget, as defined by GASB, budgetary comparisons are not presented as part of the basic financial statements.

Capital assets and depreciation - Capital assets are reported in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost in excess of the capitalization threshold and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if actual historical cost is not known. Donated capital assets are recorded at estimated acquisition value at the date of donation. Land is provided by the Community government at no charge to the School. 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.

The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is the lower of \$10,000, or the funding source's (grantor's) capitalization requirements for all classifications of capital assets. The estimated useful lives of capital assets are as follows:

<u>Asset Classification</u>	<u>Years</u>
Buildings and improvements	20-30
Land improvements	20-30
Vehicles, machinery, and equipment	3-8

Depreciation is provided using the straight-line method over estimated useful lives and is allocated to benefiting functions.

Interfund transactions - During the course of operation, transactions occur between individual funds for goods provided or services rendered. These receivables and payables are properly classified as "due from other funds" or "due to other funds" in the fund financial statements, and are eliminated within categories in the government-wide statement of net position. Quasi-external transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the fund that is reimbursed.

Note 1 - Description of Operations and Summary of Significant Accounting Policies (continued)

Grants receivable - Grants receivable consists of amounts due for reimbursement of approved expenditures on grants and contracts entered into with governmental agencies. Receivables of this nature are not collateralized. Management has determined that no allowance for doubtful accounts is necessary at June 30, 2022 and 2021.

Federal income and other taxes - As a component unit of the Community, the School has no federal income tax liability.

Unearned revenue - Unearned revenue arises when assets are received before revenue recognition criteria have been satisfied. Grants and entitlements received before all eligibility requirements are met are recorded as unearned revenue.

Compensated absences - It is the Community's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no limit on the accumulation of vacation or sick pay. Annual leave and sick pay are accrued in the government-wide financial statements. Upon termination of employment, employees will be entitled to a cash payment of accrued annual leave. Accrued sick pay will be paid out upon termination based on years of service as follows:

<u>Length of Service</u>	<u>Percentage of Accrued Sick Leave</u>
10 years	50%
15 years	75%
20 years	100%

Pensions - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position and additions to / deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred outflows and inflows of resources - The statement of net position include separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to future periods that will be recognized as an expense or expenditure in future periods. Deferred inflows of resources represent an acquisition of net position or fund balance that applies to future periods and will be recognized as a revenue in future periods.

Note 1 - Description of Operations and Summary of Significant Accounting Policies (continued)

Fund balance classifications - Fund balances of the governmental funds are reported separately within classifications based on a hierarchy of the constraints placed on the use of those resources. The classifications are based on the relative strength of the constraints that control how the specific amounts can be spent. The classifications are nonspendable, restricted, and unrestricted, which includes committed, assigned, and unassigned fund balance classifications.

The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form such as prepaids or are legally or contractually required to be maintained intact. Restricted fund balances are those that have externally imposed restrictions on their usage by creditors, such as through debt covenants, grantors, contributors, or laws and regulations.

The unrestricted fund balance category is comprised of committed, assigned, and unassigned resources. Committed fund balances are self-imposed limitations approved by the School's Education Board, which is the highest level of decision-making authority with the School. The constraints placed on committed fund balances can only be removed or changed by the Board. Assigned fund balances are resources constrained by the School's intent to be used for specific purposes, but are neither restricted nor committed. The Education Board has authorized the Superintendent / Director to make assignments of resources for a specific purpose.

The unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not reported in the other classifications. In addition, deficits in fund balances of the other governmental funds are reported as unassigned.

When an expenditure is incurred that can be paid from either restricted or unrestricted fund balances, it is the School's policy to use restricted fund balance first. For disbursement of unrestricted fund balances, it is the School's policy to use committed amounts first, followed by assigned amounts, and lastly unassigned amounts.

Note 2 - Cash and Cash Equivalents

At June 30, 2022 and 2021, the School held the following cash balances in financial institutions.

	2022	2021
FDIC insured	\$ 250,000	\$ 250,000
Collateralized	<u>13,118,266</u>	<u>13,583,229</u>
Total cash balances	<u>\$13,368,266</u>	<u>\$13,833,229</u>

The Federal Deposit Insurance Company ("FDIC") insurance covers up to \$250,000. Collateralized cash accounts are collateralized with a repurchase agreement held by the pledging institution's trust department. The amount is not considered to have credit risk, custodial credit risk, concentration of credit risk, interest rate risk, or foreign currency risk.

Note 3 – Grants Receivable

Grants receivable at June 30, 2022 and 2021 consist of the following:

<u>Agency</u>	<u>2022</u>	<u>2021</u>
State of Arizona	\$ 416,325	\$ 16,925
U.S. Department of Agriculture	43,371	25,154
U.S. Department of Education	516,604	455,425
Total grants receivable	<u>\$ 976,300</u>	<u>\$ 497,504</u>

Note 4 – Capital Assets

The following is a summary of changes in capital assets for the fiscal year ended June 30, 2022:

	Balance June 30, 2021	Additions	Transfers	Disposals	Balance June 30, 2022
Capital assets					
Nondepreciable assets					
Construction in progress	\$ -	\$ 109,285	\$ -	\$ -	\$ 109,285
Nondepreciable assets	-	109,285	-	-	109,285
Depreciable assets					
Buildings and improvements	\$33,657,962	\$ -	\$ -	\$ -	\$33,657,962
Vehicles, machinery, and equipment	2,196,459	302,293	-	-	2,498,752
Land improvements	90,891	-	-	-	90,891
Depreciable assets, gross	<u>35,945,312</u>	<u>302,293</u>	<u>-</u>	<u>-</u>	<u>36,247,605</u>
Capital assets, gross	35,945,312	411,578	-	-	36,356,890
Accumulated depreciation					
Buildings and improvements	(17,678,789)	(1,150,351)	-	-	(18,829,140)
Vehicles, machinery, and equipment	(1,734,090)	(157,822)	-	-	(1,891,912)
Land improvements	(70,710)	(2,872)	-	-	(73,582)
Total accumulated depreciation	<u>(19,483,589)</u>	<u>(1,311,045)</u>	<u>-</u>	<u>-</u>	<u>(20,794,634)</u>
Depreciable assets, net	<u>16,461,723</u>	<u>(1,008,752)</u>	<u>-</u>	<u>-</u>	<u>15,452,971</u>
Capital assets, net	<u>\$16,461,723</u>	<u>\$ (899,467)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$15,562,256</u>

Salt River Schools
(a component unit of the Salt River Pima-Maricopa Indian Community)

Notes to Financial Statements
For the fiscal year ended June 30, 2022

Note 4 – Capital Assets (continued)

The following is a summary of changes in capital assets for the fiscal year ended June 30, 2021:

	Balance June 30, 2020	Additions	Transfers	Disposals	Balance June 30, 2021
Capital assets					
Depreciable assets					
Buildings and improvements	\$33,657,962	\$ -	\$ -	\$ -	\$33,657,962
Vehicles, machinery, and equipment	\$ 2,361,891	-	-	(165,432)	2,196,459
Land improvements	90,891	-	-	-	90,891
Depreciable assets, gross	<u>36,110,744</u>	<u>-</u>	<u>-</u>	<u>(165,432)</u>	<u>35,945,312</u>
Accumulated depreciation					
Buildings and improvements	(16,528,439)	(1,150,350)	-	-	(17,678,789)
Vehicles, machinery, and equipment	(1,733,395)	(166,127)	-	165,432	(1,734,090)
Land improvements	(67,839)	(2,871)	-	-	(70,710)
Total accumulated depreciation	<u>(18,329,673)</u>	<u>(1,319,348)</u>	<u>-</u>	<u>165,432</u>	<u>(19,483,589)</u>
Capital assets, net	<u>\$17,781,071</u>	<u>\$(1,319,348)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$16,461,723</u>

Depreciation expense for the fiscal year ended June 30, 2022 and 2021 was as follows:

	2022	2021
Instruction		
Basic education	\$ 1,074,208	\$ 1,141,660
Supportive services		
Students and staff	114,238	19,481
Student transportation	122,599	158,207
Total depreciation expense	<u>\$ 1,311,045</u>	<u>\$ 1,319,348</u>

Note 5 – Related-Party Transactions

The following are payables due to related parties as of June 30, 2022 and 2021:

	2022	2021
Payables due to related parties		
The Community	\$ 84,370	\$ 312,776

Repayment of all interfund balances are expected within one year. Payables due to the Community are due to a refund for overpayment of the Community’s monetary support.

The Community provides monetary support to the School for operating costs and periodically contributes capital assets to the School. In the fiscal year ended June 30, 2022 and 2021, the Community provided the following support:

	2022	2021
Contributions from the Community		
Operating costs	\$ 3,048,119	\$ 3,447,042
Capital assets	-	-
Total contributions from the Community	\$ 3,048,119	\$ 3,447,042

During the fiscal year ended June 30, 2022 and 2021, the School purchased the following from related parties:

	2022	2021
Saddleback Communications	\$ -	\$ 12,026
Total related party purchases	\$ -	\$ 12,026

The Community provides payroll services, accounts payable services, and manages the costs and administration of capital improvement projects on behalf of the School.

Note 6 – Unearned Revenue

Unearned revenue consists of expenditure-driven grant funds received and not yet expended and other grant funding received in advance of all eligibility conditions being met. As of June 30, 2022 and 2021, unearned revenues are as follows:

Program	2022	2021
U.S. Department of Interior	\$ 4,650,977	\$ 5,594,316
Total unearned revenue	\$ 4,650,977	\$ 5,594,316

Salt River Schools
(a component unit of the Salt River Pima-Maricopa Indian Community)

Notes to Financial Statements
For the fiscal year ended June 30, 2022

Note 7 – Long-term Liabilities

Changes in long-term liabilities for the fiscal year ended June 30, 2022 and 2021 are as follows:

	Balance June 30, 2021	Additions and Other Changes	Payments	Balance June 30, 2022
Compensated absences	\$ 1,468,704	\$ 184,193	\$ (197,634)	\$ 1,455,263
Net pension liability	4,115,595	(2,795,642)	-	1,319,953
Total long-term liabilities	<u>\$ 5,584,299</u>	<u>\$ (2,611,449)</u>	<u>\$ (197,634)</u>	<u>\$ 2,775,216</u>

	Balance June 30, 2020	Additions and Other Changes	Payments	Balance June 30, 2021
Compensated absences	\$ 946,939	\$ 615,917	\$ (94,152)	\$ 1,468,704
Net pension liability	4,213,803	(98,208)	-	4,115,595
Total long-term liabilities	<u>\$ 5,160,742</u>	<u>\$ 517,709</u>	<u>\$ (94,152)</u>	<u>\$ 5,584,299</u>

Compensated absences are a long-term liability for accrued benefits to be funded by future operations. It is the Community's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no limit on the amount of vacation or sick pay that can be accumulated.

Note 8 – Restricted Net Position

Restricted net position consists of the School's cumulative net revenue over expenditures, which arose primarily from grant revenues. These net positions are restricted for use on educational expenditures, as required by the terms of the original grant agreements.

Note 9 – Contingencies

Amounts received or receivable from grantor agencies under grants and contracts are subject to audit and adjustment by the grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. Any expenditures that may be disallowed by the grantor cannot be determined at this time. The School expects any expenditures disallowed, to be immaterial.

In the course of its operations, the School is subject to claims and litigation. It is the opinion of management that such matters will not have a significant adverse impact on the School's financial position.

Note 10 – Risk Management

The School is 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 for which the School carries commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The School participates in the Community’s self-insured medical, dental, and vision plans, which partially funds health care and dental costs of eligible employees and their eligible dependents. Any covered health care costs in excess of \$1,100,000 for each eligible and enrolled participant is covered under a health care re-insurance policy. The purpose of the plan is to provide reimbursement for covered charges incurred as a result of medically necessary treatment for illness or injury of the Salt River Pima-Maricopa Indian Community’s eligible employees and their eligible dependents.

The School is charged a flat rate per employee by the Community, which covers the cost of premiums, claims and claims that have been incurred but not reported. The School made the following contributions for the fiscal year ended June 30, 2022 and 2021.

Plan	2022	2021
Medical	\$ 1,057,454	\$ 1,039,368
Dental	157,710	176,703
Vision	20,010	22,706
Total contributions	\$ 1,235,174	\$ 1,238,777

Note 11 – Economic Dependency

At June 30, 2022, the School’s revenues were primarily received from federal, state, financial assistance and contributions from the Community. This funding is subject to availability of funds from the federal, state, and Community governments and the School’s compliance with federal and state rules and regulations. If a severe reduction in the level of support occurred, it may have a significant effect on the School’s programs and activities.

Note 12 – 401(k) Benefit Plan

The assets, liabilities, and net position of the plan are not included in the School’s financial statements, as they are not part of the School’s reporting entity.

Certain School employees are eligible to participate in the Community’s sponsored Internal Revenue Code Section 401(k) plan, a defined contribution plan (the “Plan”). The Plan is open to other School employees who are 18 years of age and over are eligible for participation in the Plan immediately upon employment. The name of the Plan is SRP-MIC Government Operations 401(k) Plan and is administered by Wells Fargo Bank, N.A. The Plan has an employer contribution rate of 5% of each eligible participant’s compensation to the Plan, reduced by the amount of reallocated forfeitures during the Plan year.

Participants in the Plan are vested at a rate of 20% per year and are fully vested at five years of employment. Benefit terms are established and may be amended under the authority of the Community Council. Participants may also elect to contribute a percentage of their total compensation to the Plan up to the statutory maximum contribution. Voluntary contributions are fully vested immediately.

The School has incurred total contributions to the Plan for the fiscal year ended June 30, 2022 and 2021 of \$329,301 and \$370,803, respectively.

Note 13 – Pension Benefit Plan

The assets, liabilities, and net position of the plan are not included in the School’s financial statements, as they are not part of the School’s reporting entity.

The School contributes to the Arizona State Retirement System (“ASRS”) for its eligible professional teaching employees. Benefits are established by State statute and generally provide retirement, death, long-term disability, survivor, and health insurance premium benefits.

Plan description - The ASRS administers a cost-sharing multiple-employer defined benefit pension plan, a cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan, and a cost-sharing multiple-employer defined benefit long-term disability (OPEB) plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Articles 2 and 2.1. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on its Web site at www.azasrs.gov.

Note 13 - Pension Benefit Plan (continued)

Benefits provided - The ASRS provides retirement, health insurance premium supplement, long-term disability, and survivor benefits. State statute establishes benefits terms. Retirement benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

	Retirement Initial Membership Date	
	Before July 1, 2011	On or After July 1, 2011
Age and years of credited service required to achieve benefit	Age 65 OR Age 62 + 10 years of service OR Age + years of service = 80	Age 65 OR Age 62 + 10 years of service OR Age 60 + 25 years of service OR Age 55 + 30 years of service
Average monthly compensation used to calculate benefits	Highest 36 months of last 120 months	Highest 60 months of last 120 months
Benefit multiplier per year of service		
0.00 - 19.99 years	2.10%	2.10%
20.00 - 24.99 years	2.15%	2.15%
25.00 - 29.99 years	2.20%	2.20%
30.00 or more years	2.30%	2.30%

Retirement benefits for members who joined the ASRS prior to September 13, 2013, are subject to automatic cost-of-living adjustments based on excess investment earning. Members with a membership date of or after September 13, 2013, are not eligible for cost-of-living adjustments. Survivor benefits are payable upon a member's death. For retired members, the survivor benefit is determined by the retirement benefit option chosen. For all other members, the beneficiary is entitled to the member's account balance that includes the member's contributions and employer's contributions, plus interest earned.

Contributions - In accordance with State statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2022, active ASRS members required by statute to contribute at the actuarially determined rate of 12.41% (12.22% for retirement and 0.19% for long-term disability) of the members' annual covered payroll, and the School was required by statute to contribute at the actuarially determined rate of 12.41% (12.01% for retirement, 0.21% for health insurance premium benefit, and 0.19% for long-term disability) of the active members' annual covered payroll. The School's contributions to the pension plan for the year ended June 30, 2022 and 2021, were \$118,012 and \$129,966, respectively.

Note 13 - Pension Benefit Plan (continued)

Net pension liability - At June 30, 2022, the School reported a liability of \$1,317,897 for its proportionate share of the ASRS' net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2020, to the measurement date of June 30, 2021.

The School's reported liability at June 30, 2022, decreased by \$2,779,825 from the School's prior year liability of \$4,097,722 because of changes in the ASRS' net pension liability and the School's proportionate share of that liability. The ASRS' publicly available financial report provides details on the change in the net pension liability.

The School's proportion of the net pension liability was based on fiscal year employer contributions. The School's proportion measured as of June 30, 2021, was 0.010030%, which was an decrease from its proportion measured as of June 30, 2020, of 0.023650%.

Actuarial assumptions - The significant actuarial assumptions used to measure the total pension liability are as follows:

Actuarial cost method	Entry age normal
Asset valuation method	Fair value
Discount rate	7.00%
Projected salary increases	2.90% - 8.40%
Inflation	2.30%
Permanent benefit increase	Included
Mortality rates	2017 SRA Scale U-MP

Actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2016.

The long-term expected rate of return on ASRS pension plan investments was determined to be 4.70% using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, excluding any expected inflation. The target allocation and estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Asset Allocation	Real Return Geometric Basis	Long-term Contribution to Expected Real Return
Equity	50.00%	4.90%	2.45%
Fixed income - credit	20.00%	5.20%	1.04%
Fixed income - interest rate sensitive	10.00%	0.70%	0.07%
Real estate	20.00%	5.70%	1.14%
Total	100.00%		4.70%

Note 13 – Pension Benefit Plan (continued)

Pension Expense and Deferred Outflow / Inflow of Resources - For the year ended June 30, 2022 and 2021, the School recognized pension expense for ASRS of -\$1,301,192 and - \$571,201, respectively. At June 30, 2022, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Deferred Outflows and Inflows of Resources</u>	<u>Outflows of Resources</u>	<u>Inflows of Resources</u>	<u>Net Outflows of Resources</u>
Differences between expected and actual experience	\$ 20,090	\$ -	\$ 20,090
Assumption changes	171,535	-	171,535
Net difference between projected and actual earnings on pension plan investments	-	417,556	(417,556)
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	1,626,656	(1,626,656)
Contributions made subsequent to measurement period	248,008	-	248,008
Total	<u>\$ 439,633</u>	<u>\$ 2,044,212</u>	<u>\$ (1,604,579)</u>

The reported deferred outflows of resources related to ASRS pensions resulting from School contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ASRS pensions will be recognized in pension expense as follows:

<u>Year ended June 30</u>	<u></u>
2022	\$ (966,216)
2023	(650,428)
2024	(92,050)
2025	(143,893)
2026	-
Thereafter	-
Total	<u>\$ (1,852,587)</u>

Note 13 – Pension Benefit Plan (continued)

Discount Rate - The discount rate used to measure the ASRS total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board’s funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the School’s Proportionate Share of the ASRS Net Pension Liability to Changes in the Discount Rate - The following table presents the School’s proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the School’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower and 1% higher than the current rate:

	1% Decrease 6.00%	Current 7.00%	1% Increase 8.00%
Proportionate share of net pension liability	\$ 2,072,942	\$ 1,317,897	\$ 688,399

Pension Plan Fiduciary Net Position - Detailed information about the pension plan’s fiduciary net position is available in the separately issued ASRS financial reports.

Note 14 – Subsequent Events

There are no subsequent events or transactions that required recognition or disclosure.

Report of Independent Auditors 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*

To the Members of the School Board
Salt River Pima-Maricopa Indian Community Schools

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Salt River Pima-Maricopa Indian Community Schools (the Schools) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Schools' basic financial statements, and have issued our report thereon dated February 1, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Salt River Pima-Maricopa Indian Community Schools' 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 Salt River Pima-Maricopa Indian Community Schools' internal control. Accordingly, we do not express an opinion on the effectiveness of Salt River Pima-Maricopa Indian Community Schools' internal control.

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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Salt River Pima-Maricopa Indian Community Schools' financial statements are free from material misstatement, 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 audit, 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*.

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.

A handwritten signature in cursive script that reads "Moss Adams LLP".

Bellingham, Washington
February 1, 2023

Report of Independent Auditors on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance

To the Members of the School Board
Salt River Pima-Maricopa Indian Community Schools

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Salt River Pima-Maricopa Indian Community Schools' 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 Salt River Pima-Maricopa Indian Community Schools' major federal programs for the year ended June 30, 2022. Salt River Pima-Maricopa Indian Community Schools' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Salt River Pima-Maricopa Indian Community Schools complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (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 Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Salt River Pima-Maricopa Indian Community Schools and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Salt River Pima-Maricopa Indian Community Schools' compliance with the compliance requirements referred to above.

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 Salt River Pima-Maricopa Indian Community Schools' federal programs.

Auditor's 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 Salt River Pima-Maricopa Indian Community Schools' 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 Salt River Pima-Maricopa Indian Community Schools' 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 Salt River Pima-Maricopa Indian Community Schools' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Salt River Pima-Maricopa Indian Community Schools' 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 Salt River Pima-Maricopa Indian Community Schools' 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.

Report on Internal Control over Compliance

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. *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.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

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.

The image shows a handwritten signature in cursive script that reads "Moss Adams LLP". The signature is written in black ink and is positioned to the left of the typed text below.

Bellingham, Washington
February 1, 2023

Salt River Pima-Maricopa Indian Community Schools
(A Component Unit of the Salt River Pima-Maricopa Indian Community)
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

I. Summary of Auditor’s Results

Financial Statements

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

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Type of auditor’s report issued on compliance for each major federal program: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of Major Federal Programs

AL Numbers	Name of Federal Program or Cluster
15.042	Indian School Equalization Program
84.425A, 84.425D, 84.425U	COVID-19 Education Stabilization Fund Programs

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

Auditee qualified as low-risk auditee? Yes No

II. Financial Statements Findings

None reported.

III. Federal Award Findings and Questioned Costs

None reported.

The following information is provided by management as required supplemental information to the financials.

Salt River Schools
(a component unit of the Salt River Pima-Maricopa Indian Community)

Schedule of Proportionate Share of Net Pension Liability
June 30, 2022

	Reporting Fiscal Year (Measurement Date)									
	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	2014 (2013)	
Proportion of net pension liability	0.010030%	0.023650%	0.028830%	0.038020%	0.042400%	0.040700%	0.040589%	0.042710%	4.498800%	
Proportionate share of net pension liability	\$ 1,317,897	\$ 4,097,722	\$ 4,195,100	\$ 5,302,452	\$ 6,605,094	\$ 6,569,389	\$ 6,322,303	\$ 6,319,586	\$ 7,478,995	<i>Information not available</i>
Covered payroll	\$ 1,095,364	\$ 2,568,118	\$ 2,942,951	\$ 3,710,531	\$ 3,976,196	\$ 3,755,259	\$ 3,653,679	\$ 3,800,065	\$ 3,800,065	
Proportionate share of net pension liability as a percentage of covered payroll	120.32%	159.56%	142.55%	142.90%	166.12%	174.94%	173.04%	166.30%	196.81%	
Plan fiduciary net position as a percentage of total pension liability	78.58%	69.33%	73.24%	73.40%	69.92%	67.06%	68.35%	69.49%	n/a	

Salt River Schools
(a component unit of the Salt River Pima-Maricopa Indian Community)

Schedule of Pension Contributions
June 30, 2022

	Reporting Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Statutorily required contribution	\$ 122,974	\$ 130,942	\$ 305,212	\$ 357,902	\$ 434,439	\$ 466,077	\$ 438,552	\$ 432,268	\$ 443,500	
Contributions in relation to the statutorily required contribution	122,974	130,942	305,212	357,902	434,439	466,077	438,552	432,268	443,500	<i>Information not available</i>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 1,005,321	\$ 1,095,364	\$ 2,568,118	\$ 2,942,951	\$ 3,710,531	\$ 3,976,196	\$ 3,755,259	\$ 3,653,679	\$ 3,800,065	
Contributions as a percentage of covered	12.23%	11.95%	11.88%	12.16%	11.71%	11.72%	11.68%	11.83%	11.67%	

Note 1 – Actuarially Determined Contribution Rates

Actuarial determined contribution rates for ASRS are calculated as of June 30 two years prior to end of the fiscal year in which contributions are made. The actuarial methods and assumptions used to establish the contribution requirements are as follows:

Actuarial cost method	Entry age normal
Asset valuation method	Fair value
Discount rate	7.00%
Projected salary increases	2.90% - 8.40%
Inflation	2.30%
Permanent benefit increases	Included
Mortality rates	2017 SRA Scale U-MP

Note 2 – Information Prior To Measurement Date

Ten years of information is required; however, information prior to the measurement date (June 30, 2014) was not available.

The following information is provided by management as supplemental information to the financials.

Salt River Schools
(a component unit of the Salt River Pima-Maricopa Indian Community)

Schedule of Expenditures of Federal and Non-Federal Awards
For the fiscal year ended June 30, 2022

Federal Grantor/Pass-through Grantor/Program Title	ALN	Grant/Contract Number	Expenditures
EXPENDITURES OF FEDERAL AWARDS			
U.S. DEPARTMENT OF EDUCATION			
Impact Aid	84.041	S041B20227018	\$ 1,362,624
Title VI: Indian Education (Elementary)	84.060A	S060A222007	77,671
Title VI: Indian Education (High School)	84.060A	S060A221298	55,190
Subtotal 84.060A ALN			<u>132,861</u>
Literacy Initiative	84.299A	S299A180036-21	929,322
Rural Education Achievement Program (High School)	84.358A	S358A220187	12,477
<i>Passed through the Department of the Interior</i>			
Title I	84.010	A19AV00851	713,649
Special Education Cluster: Special Education Part B	84.027	A22AV00838	685,517
21st Century Learning	84.287A	A19AV00851	175,025
Title II	84.336	A19AV00851	147,835
Student Support and Academic Enrichment (Elementary)	84.424	A22AV00838	68,180
COVID-19 Education Stabilization Fund	84.425A	A19AV00851	783,364
<i>Passed through the State of Arizona</i>			
State Title I: Systemic Leadership	84.010A	21FSLDCO-110149-01A	382
State Title I: Comprehensive Support & Improvement	84.010A	23FSISUG-310149-01A_NA	25,851
State Title I	84.010A	23FT1TTI-310149-01A	22,140
Subtotal 84.010A ALN			<u>48,373</u>
Subtotal 84.010/84.010A ALN			<u>762,022</u>
Improving Teacher Quality	84.367A	22FT1TII-210149-03A	10,656
Student Support and Academic Enrichment (High School)	84.424	22FT4TIV-210149-01A	4,038
Subtotal 84.424 ALN			<u>72,218</u>
COVID-19 Emergency Relief	84.425D	21FESIII-110149-01A	240,716
COVID-19 Emergency Relief	84.425U	21FESIII-110149-01A	193,269
Subtotal 84.425A/D/U ALN			<u>1,217,349</u>
Total U.S. Department of Education			<u>5,507,906</u>
U.S. DEPARTMENT OF THE INTERIOR			
Indian School Equalization Program	15.042	A22AV00838	2,933,120
Indian Child and Family Education (FACE)	15.043	A22AV00838	279,899
Transportation	15.044	A22AV00838	168,342
Administration Costs	15.046	A22AV00838	641,992
Safe & Secure Schools	15.149	A22AV00838	3,433
Program Enhancements	15.151	A22AV00838	3,380
Total U.S. Department of the Interior			<u>4,030,166</u>
U.S. DEPARTMENT OF AGRICULTURE			
<i>Passed through the Arizona Department of Education</i>			
School Breakfast and National School Lunch	10.553	ED09-0001	478,693
Subtotal Child Nutrition Cluster			<u>478,693</u>
Total U.S. Department of Agriculture			<u>478,693</u>
U.S. DEPARTMENT OF JUSTICE			
School Safety	16.839	2018-YS-BX-0032	7,100
Total U.S. Department of Justice			<u>7,100</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 10,023,865</u>

Salt River Schools
(a component unit of the Salt River Pima-Maricopa Indian Community)

Schedule of Expenditures of Federal and Non-Federal Awards
For the fiscal year ended June 30, 2022

Federal Grantor/Pass-through Grantor/Program Title	ALN	Grant/Contract Number	Expenditures
Balance brought forward			\$ 10,023,865
<u>EXPENDITURES OF NON-FEDERAL AWARDS</u>			
ARIZONA DEPARTMENT OF EDUCATION			
Classroom Site	N/A	07-86-56-000	8,709
Equalization	N/A	07-86-56	4,584
Total Arizona Department of Education			<u>13,293</u>
OTHER			
First Things First: Parent Outreach	N/A	GRA-RC021-20-1027-01-Y3	28,856
First Things First: Summer Transition to Kindergarten	N/A	GRA-RC021-20-1028-01-Y4	17,609
Total Other			<u>46,465</u>
TOTAL EXPENDITURES OF NON-FEDERAL AWARDS			59,758
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>10,023,865</u>
TOTAL EXPENDITURES OF FEDERAL AND NON-FEDERAL AWARDS			<u>\$ 10,083,623</u>

Note 1 – Basis of Presentation and Summary of Significant Accounting Policies

The accompanying schedule of expenditures of federal and non-federal awards (the “Schedule”) includes the federal and non-federal grant activity of the Salt River Pima-Maricopa Indian Community Schools (the “School”) for the fiscal year ended June 30, 2022. 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 (the “Uniform Guidance”). The schedule presents only a selected portion of the operations of the School and it is not intended to and does not present the financial position, changes in net position or cash flows of the Schools. Expenditures reported in the accompanying schedule of expenditures of federal and non-federal awards 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 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 2 – Indirect Costs

The School has elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance for certain programs.

Note 3 – Assistance Listing Numbers (“ALN”)

The program titles and ALN were obtained from the federal or pass-through grantor or the Assistance Listings from www.sam.gov.

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Salt River Schools

<http://www.saltriverschools.org>

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