

RESOLUTION OF THE TOHONO O'ODHAM LEGISLATIVE COUNCIL
(Reaffirming the Tohono O'odham Nation's Requirement of Annual District Audits and
Authorizing the Chairperson of the Nation, in consultation with the Budget and Finance
Committee, to Assist Districts in Creating Auditable Records)

RESOLUTION NO. 07-089

1 **WHEREAS, Resolution No. 95-397 requires that an independent certified public accountant**
2 **retained by the Nation perform annual audits of the accounts of each District and**
3 **require each District to maintain complete, accurate and legible records of all**
4 **financial transactions of the District in a manner specified in that resolution; and**

5 **WHEREAS, Resolution No. 95-397 has been codified in the Tohono O'odham Code as Title 26 -**
6 **Finance, Chapter 1 - Finance Code, Article 3 - Gaming Revenue Distribution Formula**
7 **and District Allocation Guidelines ("Finance Code, Article 3"); and**

8 **WHEREAS, such District audits are required in order for the Nation and the Districts to remain**
9 **in compliance with Section 302 of the Nation's Gaming Ordinance (Ordinance No. 93-**
10 **01) as amended, Sections 11(b)(2)(B) and 11(d)(1)(A) of the Indian Gaming Regulatory**
11 **Act, 25 U.S.C. §2710(b)(2)(B) and §2710(d)(1)(A), and the Nation's Constitution; and**

12 **WHEREAS, the Nation's Constitution states that "No district shall expend district funds except**
13 **pursuant to budgets authorized under resolutions of the district council and**
14 **approved by the Tohono O'odham Council" (Constitution of the Tohono O'odham**
15 **Nation, Article IX, Section 7); and**

16 **WHEREAS, the Finance Code, Article 3 also requires that the Districts establish and maintain a**
17 **system of internal controls to accomplish the following objectives: (1) safeguarding**
18 **of assets; (2) reliability of financial records; (3) execution of transactions in accordance**
19 **with the District Council's general or specific authorization; (4) recording of**
20 **transactions as necessary to permit recording of revenue and to maintain**
21 **accountability for assets; (5) access to assets only in accordance with the lawful**
22 **authorization of the District Council; (6) comparison of records of assets with existing**
23 **assets at reasonable intervals with provision for appropriate action with respect to**
24 **any differences; and (7) compliance with the Finance Code, Article 3, Section 302 of the**
25 **Gaming Ordinance and the Nation's Constitution; and**

26 **WHEREAS, the Nation has entered into a contract with the auditing firm of Eide Bailly to audit the**
27 **District accounts; and**

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1 **WHEREAS, Eide Bailly has expressed the opinion that the results of the District audits must be**
2 **expressed in the Nation's audit report jointly with the Nation's audit results; and**

3 **WHEREAS, the Nation's Executive Office has made efforts to obtain the financial records of each**
4 **District to be made available to Eide Bailly for the District audit; and**

5 **WHEREAS, by letter dated October 31, 2006, the Eide Bailly auditors requested from each District**
6 **the basic supporting accounting documentation needed to complete each District**
7 **audit; and**

8 **WHEREAS, as of the date of this resolution, no District has complied with the requests of the**
9 **auditors through the Executive Office to supply financial records; and**

10 **WHEREAS, Eide Bailly has informed the Executive Office, after review of certain records in some**
11 **District Offices, that certain District records are unauditible; and**

12 **WHEREAS, if the Nation does not obtain cooperation from the Districts in the performance of**
13 **District audits, there is a strong possibility that Eide Bailly's audit report for the Nation**
14 **will present a qualified opinion, an adverse opinion, or a disclaimer of opinion,**
15 **instead of an unqualified opinion; and**

16 **WHEREAS, the Legislative Council has been informed that obtaining a qualified audit opinion, an**
17 **adverse opinion, or a disclaimer of opinion in the Nation's audit report may have an**
18 **impact on the Nation's ability to certify its compliance with the Indian Gaming**
19 **Regulatory Act pursuant to its Gaming Compact with the state of Arizona, Section 3(aa)**
20 **of the Compact, to maintain the Nation's contracts with the federal government,**
21 **including the Nation's P.L. 93-638 contracts with the Indian Health Service and the**
22 **Bureau of Indian Affairs, to obtain an Indirect Cost Agreement with the Department**
23 **of the Interior, and to obtain bank credit; and**

24 **WHEREAS, while the Legislative Council respects the desire within the Districts to be independent**
25 **and to assert control over matters of local concern, the Legislative Council now**
26 **believes that measures must be taken to enforce the requirements of the Finance**
27 **Code, Article 3, which requirements have now been in place for twelve years.**
28

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1 **NOW, THEREFORE, BE IT RESOLVED that the Tohono O'odham Legislative Council:**

- 2 **1. Requires that each District administration provide to the Eide Bailly auditors by**
3 **5:00 p.m. on Friday, February 16, 2007, the following financial information for all**
4 **financial transactions of the District for all of FY2005 and FY2006: (a) General**
5 **Ledgers; (b) Trial Balances; (c) Bank Statement Reconciliations; (d) Fixed Asset**
6 **Listing including capitalization policy; and (e) any other information required by**
7 **the auditors.**
- 8 **2. Requires that each District administration fully cooperate with the Eide Bailly**
9 **auditors.**
- 10 **3. Authorizes the Chairperson of the Nation, in consultation with the Budget and**
11 **Finance Committee, to employ consultants to create auditable records.**
- 12 **4. Appropriates \$150,000.00 from surplus revenues to fund consultant contracts to**
13 **create auditable records for Districts, subject to further Legislative Council**
14 **approval of consultant budgets.**

15 **The foregoing Resolution was passed by the Tohono O'odham Legislative Council on the 08TH. Day**
16 **of FEBRUARY, 2007 at a meeting at which a quorum was present with a vote of 1,711.9 FOR; 728.9**
17 **AGAINST; -0- NOT VOTING; and [02] ABSENT, pursuant to the powers vested in the Council by**
18 **Section 1(d) of Article VI of the Constitution of the Tohono O'Odham Nation, adopted by the Tohono**
19 **O'Odham Nation on January 18, 1986; and approved by the Acting Deputy Assistant Secretary -**
20 **Indian Affairs (Operations) on March 6, 1986, pursuant to Section 16 of the Act of June 18, 1934 (48**
21 **Stat. 984).**

22
23 **TOHONO O'ODHAM LEGISLATIVE COUNCIL**

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26 _____
27 **Verlon M. Jose, Legislative Chairman**

28
29 9 day of February, 2007

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31 **ATTEST:**

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35 **Lucille Lopez, Acting Legislative Secretary**

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37 08 day of February, 2007.
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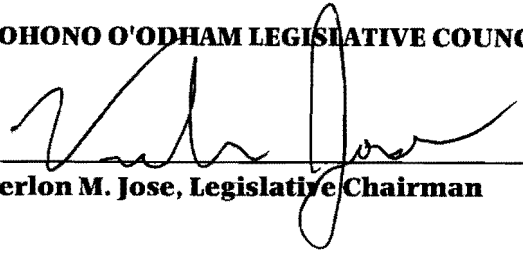
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Said Resolution was submitted for approval to the office of the Chairwoman of the Tohono O'Odham Nation on the 9 day of February, 2007 at 4:11 o'clock, 2.M., pursuant to the provisions of Section 5 of Article VII of the Constitution and will become effective upon her approval or upon her failure to either approve or disapprove it within 48 hours of submittal.

TOHONO O'ODHAM LEGISLATIVE COUNCIL

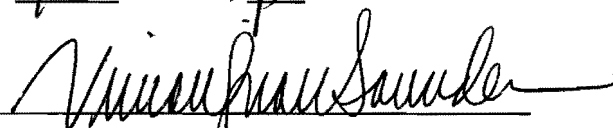

Verlon M. Jose, Legislative Chairman

APPROVED

on the 9 day of February, 2007

DISAPPROVED

at 4:25 o'clock, P.M.


VIVIAN JUAN-SAUNDERS, CHAIRWOMAN
TOHONO O'ODHAM NATION

Returned to the Legislative Secretary on the 09 day of

February, 2007, at 4:28 o'clock, P.M.


Lucille Lopez, Acting Legislative Secretary

ACTION: REAFFIRMING THE TOHONO O'ODHAM NATION'S REQUIREMENT OF ANNUAL DISTRICT AUDITS AND AUTHORIZING THE CHAIRPERSON OF THE NATION, IN CONSULTATION WITH THE BUDGET AND FINANCE COMMITTEE, TO ASSIST DISTRICTS IN CREATING AUDITABLE RECORDS

MOVED: COUNCILWOMAN EVELYN JUAN MANUEL

SECOND: COUNCILWOMAN MARLENE SARAFICIO

DATE: FEBRUARY 08, 2007

DISTRICT	LEGISLATIVE REPRESENTATIVES	# OF VOTES	FOR	AGAINST	NOT VOTING	ABSENT
BABOQUIVARI 310.8	1. FRANCES MIGUEL (Vernon J. Smith)	155.40		X		
	2. FRANCES G. ANTONE (Lucilda J. Valenzuela (Norris))	155.40		X		
CHUKUT KUK 258.7	1. ETHEL GARCIA ()	129.35	X			
	2. VERLON M. JOSE (David Garcia)	129.35	X			
GU ACHI 221.6	1. TIMOTHY L. JOAQUIN (Jonas Robles)	110.80	X			
	2. CYNTHIA E. MANUEL (Louis L. Johnson)	110.80	X			
GU VO 193.1	1. RAYMOND VICTOR ()	96.55	X			
	2. MICHAEL FLORES (Grace Manuel)	96.55	X			
HICKIWAN 167.4	1. SHIRLEY SANTOS-MOLINA ()	83.70	X			X
	2. SANDRA ORTEGA ()	83.70	X			
PISINEMO 171.8	1. BARBARA SALVICIO ()	85.90	X			X
	2. GERALD FAYUANT ()	85.90	X			
SAN LUCY 169.0	1. LORRAINE EILER ()	84.50	X			
	2. GLORIA RAMIREZ ()	84.50		X		
SAN XAVIER 193.8	1. FELICIA NUÑEZ ()	96.90	X			
	2. OLIVIA VILLEGAS-LISTON (Eileen A. Estrada-Lopez)	96.90	X			
SCHUK TOAK 146.9	1. FRANCES B. CONDE ()	73.45		X		
	2. PHYLLIS JUAN ()	73.45		X		
SELLS 421.0	1. MARLENE SARAFICIO-JUAN ()	210.50	X			
	2. EVELYN B. JUAN MANUEL (Kimberly Listo)	210.50	X			
SIF OIDAK 186.7	1. WAVALENE ROMERO (Isidro Lopez)	93.35		X		
	2. DARLENE ANDREW (Rita Wilson)	93.35		X		
TOTAL		2,440.80	1,711.9	728.9	-0-	[02]

****PASSED VOTES**