

Quapaw Tribe of Oklahoma

*Financial Statements With
Independent Auditor's Report*

For the Year Ended
September 30, 2013

Quapaw Tribe of Oklahoma
Index
September 30, 2013

Financial Section

Independent Auditor’s Report	1
------------------------------	---

Basic Financial Statements

Government-Wide Statement of Net Position	3
Government-Wide Statement of Activities	4
Governmental Funds Balance Sheet	5
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position	6
Governmental Funds Statement of Revenues, Expenses and Changes in Fund Balances	7
Reconciliation of the Governmental Funds Statement of Revenues, Expenses and Changes in Fund Balances to the Government-Wide Statement of Activities	8
Proprietary Funds Statement of Net Position	9
Proprietary Funds Statement of Revenues, Expenses and Changes in Net Position	10
Proprietary Funds Statement of Cash Flows	11
Statement of Fiduciary Net Position	12
Statement of Changes in Fiduciary Net Position	13
Notes to the Financial Statements	14

Supplementary and Other Information

Tribal Programs-Governmental Funds Balance Sheets	27
Tribal Programs-Governmental Funds Statements of Revenues, Expenses, and Changes in Fund Balance	28
Non-Major Governmental Funds- Balance Sheets	29
Non-Major Governmental Funds- Statements of Revenues, Expenditures and Changes in Fund Balances	35
Governmental Funds Summary- Statements of Revenues, Expenditures and Changes in Fund Balances	41

Reports on Legal and other Regulatory Requirements

Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	43
---	----

Federal Financial Assistance Compliance Section:

Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control over Compliance Required by OMB Circular A-133	45
Schedule of Findings and Questioned Costs	47
Schedule of Expenditures of Federal Awards	49
Notes to the Schedule of Expenditures of Federal Awards	52

Financial Section

Independent Auditor's Report

Business Committee
Quapaw Tribe of Oklahoma
Quapaw, Oklahoma

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Quapaw Tribe of Oklahoma, as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the Quapaw Tribe of Oklahoma's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of Downstream Development Authority or Quapaw Casino, which represents 100% of the Quapaw Tribe of Oklahoma's discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as they relate to the amounts included for the Downstream Development Authority and Quapaw Casino are based on the report of other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial statement audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Quapaw Tribe of Oklahoma as of September 30, 2013, and the respective changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Correction of Error

As described in the notes to the financial statements, the beginning government-wide net position and the beginning fund balances for CTGP and Roads Construction have been adjusted for the correction of errors related to the recording of grant revenue. The beginning government-wide net position has also been adjusted for the correction of an error related to the recording of a building. Our opinion is not modified with respect to these matters.

Other Matters

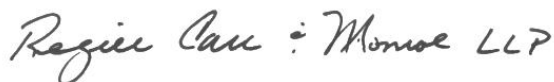
As part of our audit of the 2013 financial statements, we also audited the adjustments described in the notes to the financial statements that were applied to restate the 2012 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2012 financial statements of the Quapaw Tribe of Oklahoma other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2012 financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Quapaw Tribe of Oklahoma's basic financial statements. The supplementary Tribal Programs-Governmental Funds and Non-Major-Governmental Funds financial statements and the Governmental Funds Summary on pages 27-42 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and non-federal income and expenditures on pages 49-51 is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. The supplementary Tribal Programs-Governmental Funds and Non-Major-Governmental Funds financial statements and the Governmental Funds Summary and the schedule of expenditures of federal awards and non-federal income and expenditures are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 supplementary Tribal Programs-Governmental Funds and Non-Major-Governmental Funds financial statements and the Governmental Funds Summary and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2014, on our consideration of the Quapaw Tribe of Oklahoma's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 Quapaw Tribe of Oklahoma's internal control over financial reporting and compliance.

Handwritten signature of Reggie Carr in cursive script, followed by the text "Monroe LLP".

June 27, 2014
Tulsa, Oklahoma

Basic Financial Statements

Quapaw Tribe of Oklahoma
Statement of Net Position
September 30, 2013

	Primary Government			Component Units	Total Primary Government and Component Units
	Governmental Activities	Business- Type Activities	Total		
Assets					
Current Assets					
Cash and Cash Equivalents	\$8,133,918	\$963,927	\$9,097,845	\$24,342,468	\$33,440,313
Investments	1,732,725		1,732,725		1,732,725
Receivable From:					0
Internal Balances	1,063,987		1,063,987	518,310	1,582,297
Federal Agencies	236,945		236,945		236,945
Other	206,834	150,750	357,584	2,102,780	2,460,364
Inventory		39,925	39,925	1,252,576	1,292,501
Prepaid expenses		6,403	6,403	989,423	995,826
Total Current Assets	11,374,409	1,161,005	12,535,414	29,205,557	41,740,971
NonCurrent Assets					
Capital Assets, net of depreciation	29,589,270	2,836,201	32,425,471	237,895,290	270,320,761
Other Assets	76,087	7,422	83,509	6,766,636	6,850,145
Total Capital Assets	29,665,357	2,843,623	32,508,980	244,661,926	277,170,906
Total Assets	\$41,039,766	\$4,004,628	\$45,044,394	\$273,867,483	\$318,911,877
Liabilities					
Current Liabilities					
Accounts Payable	\$1,078,112	\$128,979	1,207,091	\$3,980,142	\$5,187,233
Accrued Expenses	201,653	164,898	366,551	14,613,494	14,980,045
Payable To:					0
Other Funds	324,432	739,555	1,063,987		1,063,987
Notes Payable	785,119	468,716	1,253,835	8,811,914	10,065,749
Total Current Liabilities	2,389,316	1,502,148	3,891,464	27,405,550	31,297,014
Long Term Liabilities					
Notes Payable	1,809,782	1,093,087	2,902,869	318,094,233	320,997,102
Accrued Compensation	634,629		634,629		634,629
Long Term Liabilities	2,444,411	1,093,087	3,537,498	318,094,233	321,631,731
Total Liabilities	4,833,727	2,595,235	7,428,962	345,499,783	352,928,745
Net Position					
Net Investment in Capital Assets	26,994,369	843,136	27,837,505	3,711,986	31,549,491
Restricted	1,388,189		1,388,189		1,388,189
Unrestricted	7,823,481	566,257	8,389,738	(75,344,286)	(66,954,548)
Total Net Position	\$36,206,039	\$1,409,393	\$37,615,432	(\$71,632,300)	(\$34,016,868)

**Quapaw Tribe of Oklahoma
Statement of Activities
For the Year Ended September 30, 2013**

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expenses) and Changes on Net Position			Component Units
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-Type Activities		
Primary Government								
<i>Governmental Activities</i>								
Community Service	(6,427,587)	900,193	2,364,733		(3,162,661)		(3,162,661)	
Cultural Preservation	(429,970)	25,049	175,971		(228,950)		(228,950)	
Economic Development	(911,267)	953,147	0		41,880		41,880	
Education & Training	(1,635,863)	483,016	1,214,954		62,107		62,107	
General Government	(13,203,170)	2,364,038	87,174		(10,751,958)		(10,751,958)	
Health Services	(291,571)	13,501	278,052		(18)		(18)	
Housing Assistance	(358,297)	33,353	735,434		410,490		410,490	
Law Enforcement	(1,894,368)	10,472	657,577		(1,226,319)		(1,226,319)	
Environmental	(554,687)	0	1,623,132		1,068,445		1,068,445	
Construction Services	(385,099)	0			(385,099)		(385,099)	
Unallocated depreciation	(4,648,373)				(4,648,373)		(4,648,373)	
Total Governmental Activities	(30,740,252)	4,782,769	7,137,027	0	(18,820,456)		(18,820,456)	
<i>Business-Type Activities</i>								
Eagle Creek Golf Course	(124,580)					(124,580)	(124,580)	
O-Gah-Pah Convenience Store	(40,011)	57,718				17,707	17,707	
Quapaw Counseling Services	(1,273,942)	1,636,166				362,224	362,224	
Saracen Solutions LLC	(128,167)					(128,167)	(128,167)	
Total Business-Type Activities	(1,566,700)	1,693,884	0	0		127,184	127,184	
Total Primary Government	(\$32,306,952)	\$6,476,653	\$7,137,027	\$0		127,184	(18,693,272)	
<i>Component Units</i>								
Quapaw Casino	(17,912,619)	20,585,154						2,672,535
Downstream Development	(155,600,864)	165,619,629						10,018,765
Total Component Units	(\$173,513,483)	\$186,204,783	\$0	\$0				12,691,300
<i>General Revenues</i>								
Taxes								
Investment income					40,086	25	40,111	46,539
Other income					1,984,981	960,000	2,944,981	0
Transfers					13,908,067	(1,895,927)	12,012,140	(12,012,140)
Total General Revenues and Transfers					15,933,134	(935,902)	14,997,232	(11,965,601)
Change in Net Position					(2,887,322)	(808,718)	(3,696,040)	725,699
Net Position-Beginning					39,093,361	2,218,111	41,311,472	(72,357,999)
Net Position-Ending					\$36,206,039	\$1,409,393	\$37,615,432	(\$71,632,300)

**Quapaw Tribe of Oklahoma
Governmental Funds Balance Sheet
September 30, 2013**

	Tribal Programs	Indirect	CTGP	Roads Construction	Non-Major Governmental Funds	Total Governmental Funds
Assets						
Cash and Cash Equivalents	\$5,920,849	\$160,041	\$553,012	\$1,490,416	\$9,600	\$8,133,918
Receivable From:						
Other Funds	1,056,642	7,345				1,063,987
Federal Agencies			6,715		230,230	236,945
Other	206,834					206,834
Investments	1,732,725					1,732,725
Other Assets	66,087	10,000				76,087
Total Assets	\$8,983,137	\$177,386	\$559,727	\$1,490,416	\$239,830	\$11,450,496
Liabilities and Fund Balances						
Liabilities:						
Accounts Payable	\$748,825	\$167,623	\$2,166	\$746	\$158,752	\$1,078,112
Accrued Expenses	201,540	18			95	201,653
Payable To:						
Other Funds	161,694			123,664	39,074	324,432
Component Units						
Notes Payable						
Deferred Revenue						
Total Liabilities	1,112,059	167,641	2,166	124,410	197,921	1,604,197
Fund Balances:						
Nonspendable						
Restricted Purposes	9,064	9,745	557,561	1,366,006	41,909	1,984,285
Committed	38,533					38,533
Unassigned	7,823,481					7,823,481
Total Fund Balances	7,871,078	9,745	557,561	1,366,006	41,909	9,846,299
Total Liabilities and Fund Balances	\$8,983,137	\$177,386	\$559,727	\$1,490,416	\$239,830	\$11,450,496

Quapaw Tribe of Oklahoma
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position
As of September 30, 2013

Total Fund Balances - Governmental Funds \$9,846,299

Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Capital assets used in governments are not financial resources, and are therefore not reported in the funds.

These assets consist of:

Land	19,811,313	
Historical Collection	60,000	
Buildings & Improvements	10,033,711	
Equipment & Vehicles	2,892,225	
Accumulated Depreciation	<u>(3,207,979)</u>	
Total Capital Assets	<u>29,589,270</u>	29,589,270

Some liabilities are not due and payable in the current period and are therefore not reported in the funds.

Those liabilities consist of:

Compensated Absences	634,629	
Long Term Payables	<u>2,594,901</u>	
Total Long Term Liabilities	<u>3,229,530</u>	(3,229,530)
Net Position of Governmental Activities		<u><u>\$36,206,039</u></u>

Quapaw Tribe of Oklahoma
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2013

	Tribal Programs	Indirect	CTGP	Roads Construction	Non-Major Governmental Funds	Total Governmental Funds
Revenues						
From Federal Agencies:						
Department of Interior	\$0	\$0	\$1,214,954	\$628,352	\$92,186	\$1,935,492
Department of Health & Human Services					1,625,233	1,625,233
Housing & Urban Development					1,218,373	1,218,373
Department of Agriculture					16,311	16,311
Environmental Protection Agency					657,577	657,577
Institute of Museum & Library					108,354	108,354
Department of Justice					735,434	735,434
Federal Emergency Management					791,807	791,807
Others					9,394	9,394
From State and Local Governments					18,556	18,556
Charges for Services	4,782,769					4,782,769
Investment Income	39,810	41	40	186	9	40,086
Miscellaneous	2,145,521				20,496	2,166,017
Total Revenues	6,968,100	41	1,214,994	628,538	5,293,730	14,105,403
Expenditures						
Community Service	5,159,749		22,280		1,245,558	6,427,587
Cultural Preservation	302,567				127,403	429,970
Economic Development	911,267					911,267
Education & Training	1,595,063		40,800			1,635,863
General Government	12,162,947	1,059,828	342,323		120,000	13,685,098
Health Services	47,135				244,436	291,571
Housing Assistance	110,245				248,052	358,297
Law Enforcement	1,084,915				809,453	1,894,368
Environmental	22,991				531,696	554,687
Construction Services				199,173	185,926	385,099
Capital Outlays	3,443,374			1,544,833	1,030,360	6,018,567
Total Expenditures	24,840,253	1,059,828	405,403	1,744,006	4,542,884	32,592,374
Excess (Deficiency) of Revenues over Expenditures	(17,872,153)	(1,059,787)	809,591	(1,115,468)	750,846	(18,486,971)
Other Financing Sources (Uses)						
Transfers In	14,695,795				35,000	14,730,795
Transfers Out:						
Indirect	(204,074)	1,117,254	(215,427)	(34,000)	(663,753)	
Other	(99,100)	(262,672)	(442,400)		(18,556)	(822,728)
Total Other Financing Sources and Uses	14,392,621	854,582	(657,827)	(34,000)	(647,309)	13,908,067
Net Change in Fund Balances	(3,479,532)	(205,205)	151,764	(1,149,468)	103,537	(4,578,904)
Fund Balance - Beginning	11,350,610	214,950	405,797	2,515,474	(61,628)	14,425,203
Fund Balance - Ending	\$7,871,078	\$9,745	\$557,561	\$1,366,006	\$41,909	\$9,846,299

Quapaw Tribe of Oklahoma
Reconciliation of the Change in Fund Balances of Governmental Funds
To the Government-Wide Statement of Activities
For the Year Ended September 30, 2013

Net Change in Fund Balances - Total Governmental Funds (\$4,578,904)

Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are as follows:

Capital Outlay	\$6,018,567	
Fixed Assets Sold/Removed	(4,136,028)	
Depreciation Expense	(512,345)	
Excess of Capital Outlay over Depreciation	1,370,194	\$1,370,194

Some items reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of the following:

(Increase) Decrease in compensated absences	(252,282)	
Note payable advances	(160,540)	
Repayment of long term debt	734,210	
	321,388	\$321,388

Change in Net Assets of Governmental Activities **(\$2,887,322)**

**Quapaw Tribe of Oklahoma
Statement of Net Position
Proprietary Funds
September 30, 2013**

	O-Gah-Pah Convenience Store	Eagle Creek Golf Course	Quapaw Counseling Services	Saracen Solutions, LLC	Total Proprietary
Assets					
Cash and Cash Equivalents	\$0	\$586,527	\$340,351	\$37,049	\$963,927
Receivable From:					
Other (net)		150,750			150,750
Prepaid Expenses			6,403		6,403
Inventories (Finished goods)		39,925			39,925
Total Current Assets		777,202	346,754	37,049	1,161,005
Noncurrent Assets					
Capital Assets, net of depreciation		2,836,201			2,836,201
Other non current assets, net of amortization		7,422			7,422
Total Noncurrent Assets		2,843,623			2,843,623
Total Assets	\$0	\$3,620,825	\$346,754	\$37,049	\$4,004,628
Liabilities					
Current Liabilities:					
Accounts Payable	\$0	\$25,776	\$102,987	\$216	\$128,979
Accrued Expenses		164,898			164,898
Payable To:					
Other Funds		574,555		165,000	739,555
Notes Payable		468,716			468,716
Total Current Liabilities		1,233,945	102,987	165,216	1,502,148
Long Term Liabilities:					
Notes Payable		1,093,087			1,093,087
Total Long Term Liabilities		1,093,087			1,093,087
Total Liabilities		2,327,032	102,987	165,216	2,595,235
Net Position					
Nonspendable		843,136			843,136
Unassigned	0	450,657	243,767	(128,167)	566,257
Total Net Position	\$0	\$1,293,793	\$243,767	(\$128,167)	\$1,409,393

Quapaw Tribe of Oklahoma
Statement of Revenues, Expenses, And Changes in Net Position
Proprietary Funds
For the Year Ended September 30, 2013

	O-Gah-Pah Convenience Store	Eagle Creek Golf Course	Quapaw Counseling Services	Saracen Solutions, LLC	Total Proprietary
Operating Revenues					
Charges for Services	\$57,718	\$0	\$1,636,166	\$0	\$1,693,884
Interest and investment revenue	25				25
Total Revenues	57,743		1,636,166		1,693,909
Operating Expenses					
Personnel Services	6,595		432,104	90,338	529,037
Fringe Benefits	3,462		129,608	8,740	141,810
Travel/Training			9,352	1,565	10,917
Repair & Maintenance	162		9,945		10,107
Rent & Utilities	1,193		9,379	65	10,637
Office Supplies	35		15,678		15,713
Supplies			35,010		35,010
Contractual Services	1,058			19,277	20,335
Insurance			7,425		7,425
Program			619,870	7,730	627,600
Other Supplies & Expenses			5,571	452	6,023
Cost of Sales	27,506				27,506
Interest expense		96,967			96,967
Depreciation & Amortization		27,613			27,613
Total Operating Expenses	40,011	124,580	1,273,942	128,167	1,566,700
Operating Income (Loss)	17,732	(124,580)	362,224	(128,167)	127,209
Nonoperating Revenues (Expenses)					
Miscellaneous Revenue		960,000			960,000
Total Nonoperating revenue (expense)		960,000			960,000
Income (Loss) before contributions and transfers	17,732	835,420	362,224	(128,167)	1,087,209
Transfers in		379,602			379,602
Transfers out Other	(780,898)	(960,000)	(534,631)		(2,275,529)
Change in net position	(763,166)	255,022	(172,407)	(128,167)	(808,718)
Total net position, beginning	763,166	1,038,771	416,174		2,218,111
Total net position, ending	\$0	\$1,293,793	\$243,767	(\$128,167)	\$1,409,393

Quapaw Tribe of Oklahoma
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2013

	O-Gah-Pah Convenience Store	Eagle Creek Golf Course	Quapaw Counseling Services	Saracen Solutions, LLC	Total Proprietary
<i>Cash Flows from Operating Activities:</i>					
Cash received from operations	\$124,972	\$0	\$1,636,166	\$0	\$1,761,138
Cash paid to suppliers for goods & services	0	0	(22,081)	0	(22,081)
Cash paid to employees for services	(10,057)	0	(561,712)	(99,078)	(670,847)
Cash paid for administrative overhead	(32,721)	0	(593,565)	(28,873)	(655,159)
Net Cash Provided by Operations	\$82,194	\$0	\$458,808	(\$127,951)	\$413,051
<i>Cash Flows from Non-Capital Financing Activities:</i>					
Transfers (to) from other funds	(507,821)	379,602	(534,631)	165,000	(497,850)
Loans to Other Funds	0	0	0	0	0
Net Cash Provided (Used) by Non-Capital Financing	(\$507,821)	\$379,602	(\$534,631)	\$165,000	(\$497,850)
<i>Cash Flows from Capital Financing Activities:</i>					
Loans From Others	0	0	0	0	0
Proceeds from sale of capital assets	0	0	0	0	0
Acquisition of capital assets	0	(11,954)	0	0	(11,954)
Net Cash Used by Capital Financing	\$0	(\$11,954)	\$0	\$0	(\$11,954)
<i>Cash Flows from Investing Activities:</i>					
Interest and miscellaneous	0	(55,561)	0	0	(55,561)
Net Cash Provided by Investing	\$0	(\$55,561)	\$0	\$0	(\$55,561)
Net Increase (Decrease) in Cash & Equivalents	(425,627)	312,087	(75,823)	37,049	(152,314)
Cash & Equivalents at Beginning of Year	425,627	274,440	416,174	0	1,116,241
Cash & Equivalents at End of Year	\$0	\$586,527	\$340,351	\$37,049	\$963,927
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:					
Operating Income (Loss)	\$17,732	(\$124,580)	\$362,224	(\$128,167)	127,209
Depreciation	0	27,613	0	0	27,613
Other revenue and expenses	(25)	0	0	0	(25)
Adjusted Net Income	17,707	(96,967)	362,224	(128,167)	154,797
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:					
(Increase) Decrease in Accounts Receivable	67,254	0	0	0	67,254
(Increase) Decrease in Prepaid Expenses	0	0	(6,403)	0	(6,403)
(Increase) Decrease in Inventory	0	0	0	0	0
Increase (Decrease) in Accounts Payable & Accruals	(2,767)	96,967	102,987	216	197,403
Net Cash Provided by Operating Activities	\$82,194	\$0	\$458,808	(\$127,951)	\$413,051

**Quapaw Tribe of Oklahoma
Statement of Fiduciary Net Position
September 30, 2013**

	Barbara Shapp Schmidt Trust
Assets	
Current Assets:	
Cash and Cash Equivalents	\$21,786
Investments, at fair value	50,024
Loans receivable	34,850
Total Assets	\$106,660
 Liabilities	
Current Liabilities:	
Accounts Payable	\$1,000
Total Liabilities	1,000
 Net Position	
Held in trust for tribal members	105,660
Total Net Position	\$105,660

Quapaw Tribe of Oklahoma
Statement of Changes in Fiduciary Net Position
For the Year Ended September 30, 2013

	Barbara Shapp Schmidt Trust
Additions	
Interest and investment revenue	\$373
Miscellaneous income	235
<i>Total Additions</i>	608
Change in net position held in trust for tribal members	608
Total net position, beginning	105,052
Total net position, ending	\$105,660

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General Information and Basis of Presentation

The basic financial statements of the Quapaw Tribe of Oklahoma (Tribe) have been prepared in conformity with accounting principles generally accepted (GAAP) in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

The Tribe is a federally recognized tribe with an administrative body established in 1956 as the Quapaw Business Committee. The purpose of the Business Committee is to represent and act on behalf of the individual members of the Quapaw Tribe. The Tribal headquarters are located in Quapaw, Oklahoma. The Tribe works to promote the common welfare of the Tribe and its citizens; protect the people, land and natural resources now and in the future; acquire additional land for the benefit of the Tribe; protect Indian heritage including the religion, customs, and language; and preserve, secure and exercise all the inherent rights and powers of a sovereign nation. All the entities that are not legally separate are part of the Tribe's primary government for financial reporting purposes. The legal entity includes all governmental offices and departments of the Tribe. The Tribe determines its financial reporting entity in accordance with Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, as amended by GASB No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*, and based upon that criterion, has included the following entities as component units within the Tribe's basic financial statements.

Discretely Presented Component Units

The component units' column in the government-wide financial statements includes the financial data of the Tribe's discretely presented component units. These discretely presented component units are reported in a separate column to emphasize that they are legally separate from the primary government. Part of the determination for presenting them as discretely presented component units is that they do not have substantially the same governing body as the primary government nor do they provide services entirely or almost entirely to the primary government or for the benefit of the primary government. The following component units are included in the reporting entity because the primary government is financially accountable for and is able to impose its will on these organizations.

Downstream Development Authority

The Downstream Development Authority was created by the Quapaw Tribe of Oklahoma to develop and operate a casino hotel and related businesses for the Tribe.

Quapaw Casino

Quapaw Casino is owned by, and is an enterprise fund of, the Quapaw Tribe of Oklahoma. The Casino is operated by the Quapaw Casino Authority whose members are appointed by the Tribe.

Government-wide Financial Statements

The government-wide financial statements provide operational accountability information for the Tribe as an economic unit. The government-wide financial statements report the government's ability to maintain service levels and continue to meet its obligations as they come due. The statements include all governmental activities and all business-type activities of the primary government and its component units. Fiduciary funds and fiduciary-type component units are omitted from the government-wide financial statements.

Fund Financial Statements

The accounts of the Tribe are organized on the basis of funds, each of which is considered to be an independent fiscal and accounting entity. The operations of each fund are accounted for within separate sets of self-balancing accounts, which comprise its assets, liabilities, fund balance/net position, revenues, expenditures/expenses, and transfers. The Tribal Funds, which includes the general fund, is always a major governmental fund. Other major funds are determined as funds whose revenues, expenditures/expenses, assets or liabilities are at least ten percent of the totals for all governmental or enterprise funds and at least five percent of the aggregate amount for all governmental and enterprise funds for the same item or funds designated as major at the discretion of the Tribe. Funds not classified as a major fund are aggregated and presented in a single column in the fund financial statements. The Tribe uses the following funds, grouped by fund type.

**Quapaw Tribe of Oklahoma
Notes to Financial Statements**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Governmental Funds

Governmental funds are those through which most governmental functions of the Tribe are financed. The acquisition, use and balances of the Tribe's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds.

Indirect

Indirect is the account used to pay for all costs associated with the administration of grant awards. It is funded through grants based upon the approved Indirect Cost rate. Shortfalls are paid by Tribal Programs or Enterprise funds.

Tribal Funds

The Tribal Funds represents the operating activities of the tribal government. All financial resources not accounted for in other funds are reported in the Tribal Funds.

CTGP

CTGP is the account funded by the Department of Interior for the operations of the Tribe's government and services.

Roads Construction

Indian Roads is the account funded by the Department of the Interior for road and bridge repair within the Tribe's borders.

Proprietary Funds

Proprietary funds are used to account for the Tribe's ongoing operations and activities which are similar to those often found in the private sector where the intent is that costs of providing goods and services be recovered through user charges. The proprietary funds maintained by the Tribe are enterprise funds and discretely presented component units, which represent the activities of the various entities established by the Tribe for income and job producing purposes.

O-Gah-Pah Convenience Store

O-Gah-Pah Convenience Store is the fund that accounts for the operations of the Tribe's convenience store. In 2012, the Tribe closed the store for renovations and reopened in 2013. At that time, the Tribe transferred all of the assets to the Quapaw Casino, a component unit of the Tribe.

Eagle Creek Golf Course

Eagle Creek Golf Course is the fund that accounts for the golf course operations of the Tribe. Per an agreement in 2013 between the Tribe and Downstream Development Authority (DDA), a component unit of the Tribe, the Tribe reports the assets and liabilities that existed prior to the agreement. DDA pays \$960,000 annually to the tribe for the use of the golf course and is responsible for reporting the operating revenues and expenses.

As a part of the lease between Quapaw Tribe, and Downstream Development Authority (DDA), Eagle Creek Golf Course operations are recorded on the audit for DDA. The Tribe owns the assets and liabilities of Eagle Creek Golf Course, and DDA pays \$960,000 annually in cash for the use, plus any net operating income generated. All new additions to the facility are considered leasehold improvements and are held by DDA. The original land and equipment continues to be held by the Tribe. The activity to be shown for Eagle Creek on the Tribe's financial statements are the net cash received from DDA, depreciation for the equipment prior to 2013, and the interest on the note payable. All revenues and other expenses are included on DDA financial statements.

Quapaw Counseling Services

Quapaw Counseling Services is the fund that accounts for the operations of the Tribe's treatment and counseling services.

Saracen Solutions

Saracen Solutions is a new enterprise started by the Tribe in 2013 to diversify the enterprise base.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Enterprise fund financial statements include a statement of net position, a statement of revenues, expenses and changes in fund net position, and a statement of cash flows. The enterprise fund financial information is presented under the business-type activities columns.

Measurement Focus

The measurement focus determines the accounting and financial reporting treatment applied to a fund. The governmental and business-type activities within the government-wide Statement of Net Position and Statement of Activities are presented using the economic resources measurement focus. The economic resources measurement focus meets the accounting objectives of determining net income, net position, and cash flows.

The fund financial statements use either the current financial resources measurement focus or the economic resources measurement focus as appropriate. Governmental funds use the current financial resources measurement focus. This measurement focus is based upon the receipt and disbursement of current available financial resources rather than upon net income. The measurement focus of the proprietary fund types, the flow of economic resources, is based upon determination of net income, net position and cash flows.

Basis of Accounting

The accrual basis of accounting is used throughout the government-wide financial statements; conversely, the financial statements of the Governmental Funds have been prepared in accordance with the modified accrual basis of accounting, whereby revenues are recognized when considered both measurable and available to finance expenditures of the current period. The Tribe accrues intergovernmental revenues based upon this concept. Expenditures are generally recognized when the related fund liabilities are incurred and become payable in the current period. Proceeds of debt are reported as other financing sources, and principal and interest on long-term debt are recorded as expenditures when paid.

The financial statements of the Enterprise Funds and the proprietary component units have been prepared in accordance with the accrual basis of accounting. Accordingly, revenues are recorded when earned, and expenses and related liabilities are recorded when incurred.

Adoption of Accounting Principles

Effective in 2013, the Tribe implemented the following financial accounting and reporting standards issued by GASB:

Statement No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34* — This statement provides guidance on information presented about the financial reporting entity and its component units and amends the criteria for blending in certain circumstances. The implementation of this standard also required that the Nation present its equity interest in discretely presented component units as an asset of the primary government and recognize the current year’s increase or decrease of the equity interest in the statement of activities.

Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* — This statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. GASB Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined those elements as a consumption of net position by the government that is applicable to a future reporting period, and an acquisition of net position by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities.

Statement No. 65, *Items Previously Reported as Assets and Liabilities* — This statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources (expenses or expenditures) or inflows of resources (revenues), certain items that were previously reported as assets and liabilities. The adoption of GASB Statement No. 65 required debt issuance costs that were previously reported as assets to be shown as an expense. The effects of this statement were applied by reporting the cumulative effect of the application as a restatement of beginning net position or fund balance, as appropriate.

Quapaw Tribe of Oklahoma
Notes to Financial Statements

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for in the same manner as in the government-wide statements.

Taxes

The Tribe is exempt from federal and state income taxes; consequently, no provision for income taxes is included in the accompanying financial statements for any fund.

Compensated Absences

Employees may only carry over 240 hours of personal time off (PTO). Employees may sell back up to 80 PTO hours annually on their anniversary date. However, at least 40 PTO hours must remain in the employee's account after any hours are sold. Payment for excess PTO will first be applied to employee debts. The accrued compensation as of September 30, 2013 is \$634,629. Upon termination, an employee is paid for all unused PTO.

Net Position Classifications

Government-Wide Statements — Equity is classified as net position and displayed in three components:

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any notes or other borrowings attributable to the acquisition, construction, or improvement of those assets.

Restricted net position consists of net position with constraints placed on the use either by external groups, such as grantors, creditors and external board of directors, or laws and regulations of other governments, or law through Tribal constitutional provisions or enabling legislation. The Tribe classifies the equity interests in component units within this category as the operations of these entities are governed by separate, external boards of directors. It is the Tribe's policy to use restricted net position prior to the use of unrestricted net position when both restricted and unrestricted net position are available for an expense which has been incurred.

Unrestricted net position consists of all other assets that do not meet the definition of "restricted" or "net investment in capital assets."

Fund Financial Statements — Governmental fund equity is classified as fund balance. Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily upon the extent to which the Tribe is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The categories and their purposes are:

Nonspendable includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints, including inventories, prepaid assets and the corpus of permanent funds.

Restricted includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as grantors, donors, creditors or amounts constrained due to constitutional provisions or enabling legislation.

Committed includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal legislative action of the Tribal Council and does not lapse at year end. A committed fund balance constraint can only be established, modified or rescinded by passage of a Legislative Act (Law) by the Tribal Council.

Assigned includes fund balance amounts that are constrained by the Tribe's intent to be used for specific purposes, that are neither restricted nor committed. The assignment of fund balance is authorized by a directive from the Tribe's Treasurer or approval of Tribal Council Resolution.

Unassigned includes fund balance amounts within the Tribal Funds which has not been classified within the above mentioned categories.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

It is the Tribe's policy to use restricted amounts first when both restricted and unrestricted fund balance is available unless prohibited by legal or contractual provisions. Additionally, the Tribe uses committed, assigned, and lastly unassigned amounts of fund balance in that order when expenditures are made.

Revenue Recognition

The Tribe considers revenue to be susceptible to accrual in the governmental funds as it becomes measurable and available, as defined under the modified accrual basis of accounting. The Tribe generally defines the availability period for revenue recognition as received within sixty (60) days of year end. The Tribe's major revenue source that meets this availability criterion are intergovernmental revenues.

Program Revenues

There are two classifications of programmatic revenues for the Tribe, grant revenue and program revenue. Grant revenues are revenues from federal, state, and private grants. These revenues are recognized when all applicable eligibility requirements are met and are reported as intergovernmental revenues. The primary sources of program revenues are earned income in connection with the General Programs, Benefits and the Quapaw Services Authority.

Operating and Non-Operating Revenues and Expenses

In the Proprietary Funds and component units, operating revenues are those revenues produced as a result of providing services and producing and delivering goods, including all interest income on loan transactions and other events. Non-operating revenues are funds primarily provided by investing activities, such as financial institution interest income, gains on disposal of assets and insurance recoveries on property loss. Operating expenses are those expenses related to the production of revenue. Non-operating expenses are those expenses not directly related to the production of revenue, and include items such as interest expense and losses on disposal of assets.

Interest Income

Interest income is recorded as earned in the fund holding the interest bearing asset.

Internal Balances

Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the government-wide governmental and business-type activities columns of the statement of net assets, except for the net residual amounts due between governmental and business-type activities which are presented as internal balances.

Interfund Transactions

Interfund transactions are loans, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are presented as transfers. Transfers within governmental activities or within business-type activities are eliminated upon consolidation in the government-wide statements.

Indirect Costs

A portion of the Tribe's administrative costs incurred are allocated to the federal and state grant programs as indirect costs based on a fixed percentage rate of direct costs as approved by the Office of Inspector General, Department of the Interior, unless limited to a lesser statutory amount.

Budgetary Data

The Quapaw Tribe of Oklahoma makes annual appropriations for the Governmental Funds. An established budget and a financial control system monitor compliance through a budget-to-actual expenditure comparison.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reported period. Actual results could differ from those estimates.

**Quapaw Tribe of Oklahoma
Notes to Financial Statements**

SUBSEQUENT EVENTS

The Tribe has evaluated events subsequent to the balance sheet dates (September 30, 2013) through June 27, 2014, the date the financial statements were available to be issued.

CASH AND CASH EQUIVALENTS and INVESTMENTS

Deposits - The carrying value of the Tribe's funds at September 30, 2013 was as follows:

Governmental Activities	\$ 9,866,643
Business-Type Activities	\$ 963,927

Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the Tribe's deposits may not be returned to it. The Tribe does not have a formal investment policy. All deposits are held in the name of the Tribe and are collateralized by FDIC Insurance or by U.S. Government obligations, except as noted below. The carrying value of cash and cash equivalents and investments approximates fair value.

The following is a summary of balances by institution as of September 30, 2013:

Governmental Activities

Bank	Balance	Deposit Risk Category		
		1	2	3
IBC	\$ 7,490,615		\$7,490,615	
Welch State Bank	2,285,737	250,000		2,035,737
Arvest	90,291	90,291		
	\$ 9,866,643	\$ 340,291	\$ 7,490,615	\$ 2,035,737

Business-Type Activities

Bank	Balance	Deposit Risk Category		
		1	2	3
IBC	\$ 350,056	\$250,000	\$100,056	
Peoples	273,520	250,000		23,520
Welch State Bank	340,351			340,351
	\$ 963,927	\$ 500,000	\$ 100,056	\$ 363,871

Risk Category Defined:

- Category 1 Insured (FDIC) or collateralized with securities held by the Authority or by its agent in the Authority's name.
- Category 2 Collateralized with securities held by the depository trust department or agent in the Authority's name.
- Category 3 Uncollateralized.

Maturities of deposits and investments are as follows:

Governmental Activities

Type of Investment	Fair Value	Investment Maturities (in Years)			
		Less Than 1 Year	1 - 5 Years	6 - 10 Years	Over 10 Years
Certificates of Deposit	\$ 1,732,725	\$ 230,496	1,502,229		

**Quapaw Tribe of Oklahoma
Notes to Financial Statements**

INTERFUND TRANSFERS AND BALANCES

Interfund transfers for the year ended September 30, 2013 consisted of the following:

Category and Fund	Transfers from Other Funds	Transfers to Other Funds
Governmental Activities:		
Governmental Funds:		
General	14,097,064	(303,174)
Grants	\$ 1,152,254	\$ (931,736)
Grant - Indirect		(262,672)
CTGP		(442,400)
POW WOW	64,100	
Tribal Development	534,631	
Total Governmental Funds:	<u>15,848,049</u>	<u>(1,939,982)</u>
Business-Type Activities:		
Proprietary Funds:		
Convenience Store		(780,898)
Golf Course	379,602	(960,000)
Quapaw Counseling Service		(534,631)
	<u>379,602</u>	<u>(2,275,529)</u>
Component Units:		
Quapaw Casino		(2,413,436)
Downstream Development	780,898	(10,379,602)
	<u>780,898</u>	<u>(12,793,038)</u>
Total Primary Government	<u>\$ 17,008,549</u>	<u>\$ (17,008,549)</u>

Transfers are generally used to fund governmental activities of the Tribe and to provide matching funds for federal awards.

Interfund balances at September 30, 2013 consisted of the following:

Category and Fund	Due from Other Funds	Due to Other Funds
Governmental Activities:		
Governmental Funds:		
General	\$ 778,629	\$ 161,694
Quapaw Services Authority	\$ 278,013	
Grants	7,345	162,738
Total Governmental Funds:	<u>1,063,987</u>	<u>324,432</u>
Business-Type Activities:		
Proprietary Funds:		
Golf Course		574,555
Saracen		165,000
	<u>-</u>	<u>739,555</u>
Total Primary Government	<u>\$ 1,063,987</u>	<u>\$ 1,063,987</u>

**Quapaw Tribe of Oklahoma
Notes to Financial Statements**

CAPITAL ASSETS

A summary of capital assets is as follows:

	<u>Primary Government</u>		<u>Component Units</u>		
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Downstream Development Authority</u>	<u>Quapaw Casino</u>	<u>Total Component Units</u>
Capital Assets					
Land	\$19,811,313	\$2,905,660	\$230,171	172,890	403,061
Historical Collections	60,000				-
Buildings & Improvements	10,033,711		237,310,015	3,987,350	241,297,365
Leasehold Improvements			13,645,809		13,645,809
Equipment	1,278,894	63,997	59,370,143	2,439,437	61,809,580
Vehicles	1,613,331		485,313	107,154	592,467
Construction in Progress			115,926	89,538	205,464
<i>Total</i>	<u>32,797,249</u>	<u>2,969,657</u>	<u>311,157,377</u>	<u>6,796,369</u>	<u>317,953,746</u>
Less accumulated depreciation	(3,207,979)	(133,456)	(76,974,073)	(3,084,383)	(80,058,456)
Capital Assets, net of depreciation	<u>\$29,589,270</u>	<u>\$2,836,201</u>	<u>\$234,183,304</u>	<u>\$3,711,986</u>	<u>\$237,895,290</u>
Depreciation expense	<u>\$512,345</u>	<u>\$27,613</u>	<u>\$16,168,109</u>	<u>\$622,199</u>	<u>\$16,790,308</u>

LONG-TERM DEBT

A summary of the note payable activities at September 30, 2013 is as follows:

Governmental activities

	<u>2012</u>	<u>Additions</u>	<u>Reductions</u>	<u>2013</u>
IBC - Land	\$ 3,168,571		\$ (725,750)	\$ 2,442,821
IBC - Ambulance	-	160,540	(8,460)	152,080
<i>Total</i>	<u>\$ 3,168,571</u>	<u>\$ 160,540</u>	<u>\$ (734,210)</u>	<u>\$ 2,594,901</u>

Business-type activities

	<u>2012</u>	<u>Additions</u>	<u>Reductions</u>	<u>2013</u>
IBC - Land	<u>2,039,391</u>		<u>(477,588)</u>	<u>1,561,803</u>

In 2008, the Quapaw Tribe of Oklahoma as the governing body of the Downstream Golf Club, LLC, entered into a promissory note for \$2,352,147 to purchase land. The note was refinanced in January 2011 at a rate of 5.5% per annum with monthly payments of \$17,796 and a final payment in January 2013. The note is secured by property and bank deposits. The pledged deposits are in the tribal programs, and the note is carried on the Eagle Creek Golf Club proprietary fund.

In July 2012, this note was refinanced by IBC and included in the total Note Payable for the Quapaw Tribe. Terms and conditions remain the same, with monthly payments required, an interest rate of 5.25% and a due date extended through 2017.

In July 2013, the Quapaw Tribe entered into a promissory note to purchase an ambulance for \$160,540. The note carries an interest rate of 3.5% per annum with payments of \$4,708 due monthly, and a final payment due July 2016.

**Quapaw Tribe of Oklahoma
Notes to Financial Statements**

LONG-TERM DEBT (continued)

Component Unit Debt Summary:

Total Note Payables for Component units as of September 30, 2013 totaled \$326,906,147, all of which is reported under Downstream Development Authority. These note payables are collateralized by a first priority security interest on substantially all the assets and revenue stream of the Downstream Development Authority.

The future maturity value of notes payable is as follows:

Governmental activities

	Principal	Interest	Total
2014	\$ 785,119	\$ 115,101	\$ 900,220
2015	786,969	74,761	861,730
2016	779,355	34,373	813,728
2017	243,458	2,657	246,115
<i>Total</i>	\$ 2,594,901	\$ 226,892	\$ 2,821,793

Business-type activities

	Principal	Interest	Total
2014	\$ 468,716	\$ 70,716	\$ 539,432
2015	468,716	46,109	514,825
2016	468,716	21,501	490,217
2017	155,655	1,698	157,353
<i>Total</i>	\$ 1,561,803	\$ 140,024	\$ 1,701,827

SELF INSURANCE HEALTH CARE PLAN

The Quapaw Tribe is self-insured and participates up to certain limits for costs associated with workers' and tribal member benefits and employee and tribal member medical coverage. Liabilities for insurance claims and reserves include accruals of estimated settlements for known claims, as well as accruals of estimates of incurred but not reported claims. These accruals are included in other current liabilities. Costs are estimated by considerations from historical loss experience and judgments about the expected levels of costs per claim. The use of information provided by independent consultants is used to assist in the determination of estimated accruals. These claims are accounted for based on estimates of the undiscounted claims, including those claims incurred but not reported. Total claims and insurance expense for 2013 for employees was \$1,451,647. The total expense for tribal member claims was \$3,343,534. Total health insurance premiums received from the employees and reimbursements from the insurance company was \$1,959,641. The amount of claims payable as of September 30, 2013 is \$28,249.

Component Units

The Quapaw Casino and Downstream Development Authority are self-insured and participate up to certain limits for costs associated with workers' tribal benefits and employee medical coverage. Liabilities for insurance claims and reserves include accruals of estimated settlements for known claims, as well as accruals of estimates of incurred but not reported claims. These accruals are included in other current liabilities. Costs are estimated by considerations from historical loss experience and judgments about the expected levels of costs per claim. The use of information provided by independent consultants is used to assist in the determination of estimated accruals. These claims are accounted for based on estimates of the undiscounted claims, including those claims incurred but not reported.

In January 2011, the Quapaw Tribe developed a self-insured group health plan up to certain limits that is available to all tribal members. Total expense for this plan in 2013 was \$3,343,534.

SELF INSURANCE HEALTH CARE PLAN (continued)

The use of these estimates to account of these liabilities provides a consistent and effective way to measure these accruals; however, changes in health care costs, accident frequency and severity and other factors can materially affect the estimate for these liabilities.

Monitoring of potential changes in future estimates, evaluations of insurance accruals and adjustments are made when necessary. Detailed information is available in the audit reports for the component units, which are available by request through the Quapaw Tribe of Oklahoma.

EMPLOYEE BENEFIT PLANS

The Quapaw Tribe of Oklahoma has a profit sharing 401(k) plan for their employees. Employees are immediately eligible to participate in the Plan. The Tribe contributes \$200 per calendar quarter for all eligible full time employees and \$100 per calendar quarter for all eligible part time employees, regardless of employee contribution. Employees are vested at 100% upon participation. Contributions by the Tribe were \$135,323 for the year ended September 30, 2013.

RELATED PARTY TRANSACTIONS

The Tribal Tax Fund collects sales tax from Downstream Development Authority and Quapaw Casino. The total amount of tax collected was \$423,721 for 2013. The Quapaw Tribe also collects fees for providing regulatory services to the gaming operations. The total amount paid for the year ended September 30, 2013 was \$1,446,807. Downstream Development Authority has an operating lease with Eagle Creek Golf Club and the Quapaw Tribe for use of facilities. The total amount received in 2013 was \$960,000. In addition to the above payments, Downstream Development Authority and Quapaw Casino made distributions to the Quapaw Tribe of \$12,012,140 in 2013.

During the year ended September 30, 2013, The Quapaw Tribe transferred a road near Downstream Casino to the Downstream Development Authority. The value of the road is \$1,544,833. Also during fiscal year 2013, the Quapaw Tribe transferred custody and control of the Quapaw C Store to Quapaw Casino. The total value of the assets transferred is \$1,154,617.

COMMITMENTS AND CONTINGENCIES

The Quapaw Tribe of Oklahoma receives a significant amount of revenue from federal grants and contracts. These require the Quapaw Tribe of Oklahoma to meet various criteria required by the funding agencies such as proper expenditures within appropriate time frames and proper documentation. Other administrative requirements are also imposed, such as timely and accurate program and financial reporting. In the event that the Quapaw Tribe of Oklahoma does not meet those requirements, the funding agencies may disallow part or all of the funds awarded which then would require the Quapaw Tribe of Oklahoma to pay back any disallowed amounts for Tribal funds.

In addition to the above requirements, the Component Units are subject to the requirements of a Tribal-State Gaming Compact. The Quapaw Tribe entered into the Gaming Compact with the State of Oklahoma in 2004.

The Gaming Compact permits Class III gaming on tribal lands and obligates the Quapaw Tribe to pay annually to the State of Oklahoma 4% of the first \$10,000,000, 5% of the next \$10,000,000, and 6% of any subsequent amount of adjusted gross revenues received by the Quapaw Tribe from its electronic amusement games, electronic bonanza-style bingo games and electronic instant bingo games, as well as a monthly 10% payment of net win from the common pools or pots of the non-house-banked card games. The Gaming Compact expires on January 1, 2020. In addition to the above fees, Downstream Development Authority and Quapaw Casino each pay an annual oversight assessment of \$35,000. Fees paid to the State of Oklahoma for the years ended September 30, 2013 \$5,697,532 for Downstream Development Authority and Quapaw Casino. The Quapaw Tribe believes that the component units are in full compliance with all Gaming Compact requirements.

Stella McGowen v. Quapaw Tribe of Indians of Oklahoma et al., No. CJ-13-12 (Quapaw Tribal Court): This action involves a tort claim asserted by the plaintiff, Stella McGowen, arising from an injury she sustained while employed by the Downstream Casino Resort, an enterprise of the Quapaw Tribe of Oklahoma. McGowen initially filed this claim in a state court on January 22, 2013, although the case was later removed to the United States District Court for the Northern District of Oklahoma, where the claim was dismissed due to exclusive tribal court jurisdiction.

**Quapaw Tribe of Oklahoma
Notes to Financial Statements**

COMMITMENTS AND CONTINGENCIES (continued)

McGowen re-filed the action in the Quapaw Tribal Court on September 16, 2013. A motion to dismiss the action, including the claims against the Tribe, is pending. The Tribe has available to it meritorious defenses, including the defense of the Tribal sovereign immunity, and is defending the action. An opinion that an unfavorable result is either probable or remote has not been expressed. An estimate of the loss or range of loss in the event of an unfavorable outcome has not been made.

PRIOR PERIOD ADJUSTMENTS

In the government-wide statements, buildings were overstated in the prior year due to the recording of a pharmacy/behavioral clinic. The clinic was built for the use of the area tribes using grant funds and is not owned or maintained by the Quapaw Tribe of Oklahoma. As such, it should not have been included as a capital asset and the beginning net position has been reduced by \$1,121,167.

Additionally, the beginning government-wide net position and the beginning fund balances for CTGP and Roads Construction have been adjusted for the correction of errors related to the recording of grant revenue. As a result, the beginning net position and fund balances have been increased by \$2,921,271.

	Net Position, as Previously Reported		Restatement	Restatement	Net Position, as Restated
Governmental activities					
Total Net Position	\$37,293,257	(\$1,121,167)	\$2,921,271		\$39,093,361
Total Governmental Activities	\$37,293,257	(\$1,121,167)	\$2,921,271		\$39,093,361

	Fund Balance as Previously Reported		Restatement	Restatement	Fund Balance as Restated
CTGP					
Total Fund Balance	\$0		\$405,797		\$405,797
Total CTGP	\$0		\$405,797		\$405,797

	Fund Balance as Previously Reported		Restatement	Restatement	Fund Balance as Restated
Roads Construction					
Total Fund Balance	\$0		\$2,515,474		\$2,515,474
Total CTGP	\$0		\$2,515,474		\$2,515,474

SINGLE AUDIT OF FEDERAL GRANTS

The Office of Management and Budget's Circular A-133, *Audits of States, Local Governments and Non Profit Organizations* sets forth requirements for federal grants to be audited under a "single audit" approach when the entity's combined financial statements are audited. The Department of Interior has been designated as the Quapaw Tribe of Oklahoma cognizant agency. All federal awards received by the Quapaw Tribe of Oklahoma are accumulated as governmental funds within the basic financial statements, and by individual program in the Schedule of Expenditures of Federal Awards and Non-Federal Income and Expenditures. Single audit testing procedures were performed for program transactions occurring during the fiscal year ended September 30, 2013. The specific time period included in the single audit scope for each award is identified in the Schedule of Expenditures of Federal Awards.

SINGLE AUDIT OF FEDERAL GRANTS (continued)

Findings of Noncompliance

Any findings of noncompliance identified in connection with the single audit are disclosed in the Schedule of Findings and Questioned Costs. The potential reimbursement effects reflected in the Schedule of Findings and Questioned Costs relate to costs which were improperly allocated to programs, or which could have been allocated to a program, but were not.

Indirect Cost Pool

A portion of the Quapaw Tribe of Oklahoma administrative costs incurred are allocated to the federal and state grant programs as indirect costs based on a fixed percentage rate of direct costs as approved by the Office of Inspector General, Department of Interior, unless limited to a lesser statutory amount.

Deferred Revenues

Deferred revenues result from differences between recognized grant or program funding and accrued expenditures. These balances are either paid back to the grantor or carried forward to the next year.

Format of Grant Information

The Schedule of Expenditures of Federal Awards is organized by funding source and reflects the grant name assigned by management for reference purposes. The Schedule of Expenditures of Federal Awards also discloses the Catalog of Federal Domestic Assistance Number, appropriate contract, purchase order, or cooperative agreement number, matching and in kind services provided, and the grant period included in the single audit scope for each grant.

INVESTMENTS HELD IN TRUST

Investments held in trust by the Bureau of Indian Affairs (BIA) on behalf of the Quapaw Tribe of Oklahoma of \$3,658 at year-end consist primarily of settlement proceeds received from the U.S. Government. This investment is shown as an Investment in the Governmental Funds section of this report.

Supplemental and Other Information

**Quapaw Tribe of Oklahoma
Balance Sheets
Tribal Programs
September 30, 2013**

	General	Payroll	Benefits	Quapaw Services Authority	Quapaw Tribal Development	FMPC	Pow Wow	Senior Meals	Senior Activites	Employee Advocacy	Total Tribal Programs
Assets											
Cash and Cash Equivalents	\$4,465,834	\$132,011	\$66,782	\$98,907	\$1,148,014	\$331	\$5,452	\$2,215	\$781	\$522	\$5,920,849
Receivable From:											
Other Funds	778,629	-	-	278,013	-	-	-	-	-	-	1,056,642
Other	151,475	55,304	-	-	-	-	-	55	-	-	206,834
Investments	1,732,725	-	-	-	-	-	-	-	-	-	1,732,725
Other Assets	35,500	-	-	30,587	-	-	-	-	-	-	66,087
Total Assets	\$7,164,163	\$187,315	\$66,782	\$407,507	\$1,148,014	\$331	\$5,452	\$2,270	\$781	\$522	\$8,983,137
Liabilities and Fund Balances											
Liabilities:											
Accounts Payable	\$471,475	\$21,882	\$28,249	\$226,927	\$0	\$0	\$0	\$237	\$55	\$0	\$748,825
Accrued Expenses	201,540	-	-	-	-	-	-	-	-	-	201,540
Payable To:											
Other Funds	161,694	-	-	-	-	-	-	-	-	-	161,694
Component Units	-	-	-	-	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-	-	-	-	-	-
Notes payable	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	834,709	21,882	28,249	226,927	-	-	-	237	55	-	1,112,059
Fund Balances:											
Nonspendable	-	-	-	-	-	-	-	-	-	-	-
Restricted Purposes	-	-	-	-	-	331	5,452	2,033	726	522	9,064
Committed	-	-	38,533	-	-	-	-	-	-	-	38,533
Assigned	-	-	-	-	-	-	-	-	-	-	-
Unassigned	6,329,454	165,433	-	180,580	1,148,014	-	-	-	-	-	7,823,481
Total Fund Balances	6,329,454	165,433	38,533	180,580	1,148,014	331	5,452	2,033	726	522	7,871,078
Total Liabilities and Fund Balances	\$7,164,163	\$187,315	\$66,782	\$407,507	\$1,148,014	\$331	\$5,452	\$2,270	\$781	\$522	\$8,983,137

Quapaw Tribe of Oklahoma
Statements of Revenues, Expenditures, and Changes in Fund Balances
Tribal Programs
For the Year Ended September 30, 2013

	General	Payroll	Benefits	Quapaw Services Authority	Quapaw Tribal Development	FMPC	Pow Wow	Senior Meals	Senior Activites	Employee Advocacy	Total Tribal Programs
Revenues											
Charges for Services	\$ 3,817,731			\$ 953,266	\$ (119)	\$ 262	\$ 7,012	\$ 3,154	\$ 325	\$ 1,138	\$ 4,782,769
Investment income	39,724	60	26								39,810
Miscellaneous	180,561		1,959,641				5,319				2,145,521
Total Revenues	4,038,016	60	1,959,667	953,266	(119)	262	12,331	3,154	325	1,138	6,968,100
Expenditures											
Community Service	5,156,268					100		1,805	170	1,406	5,159,749
Cultural Preservation	228,545						74,022				302,567
Economic Development	129,005			734,894	47,368						911,267
Education & Training	1,595,063										1,595,063
General Government	10,310,229	37,222	1,815,496								12,162,947
Health Services	47,135										47,135
Housing Assistance	110,245										110,245
Law Enforcement	1,084,915										1,084,915
Natural Resources	22,991										22,991
Capital Outlays	3,405,582			37,792							3,443,374
Total Expenditures	22,089,978	37,222	1,815,496	772,686	47,368	100	74,022	1,805	170	1,406	24,840,253
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	<i>(18,051,962)</i>	<i>(37,162)</i>	<i>144,171</i>	<i>180,580</i>	<i>(47,487)</i>	<i>162</i>	<i>(61,691)</i>	<i>1,349</i>	<i>155</i>	<i>(268)</i>	<i>(17,872,153)</i>
Other Financing Sources (Uses)											
Transfers In	14,097,064				534,631		64,100				14,695,795
Transfers Out:											
Indirect	(204,074)										(204,074)
Other	(99,100)										(99,100)
Total Other Financing Sources and Uses	13,793,890				534,631		64,100				14,392,621
Net Change in Fund Balances	(4,258,072)	(37,162)	144,171	180,580	487,144	162	2,409	1,349	155	(268)	(3,479,532)
Fund Balance - Beginning	10,587,526	202,595	(105,638)	0	660,870	169	3,043	684	571	790	11,350,610
Fund Balance - Ending	\$6,329,454	\$165,433	\$38,533	\$180,580	\$1,148,014	\$331	\$5,452	\$2,033	\$726	\$522	\$7,871,078

**Quapaw Tribe of Oklahoma
Balance Sheets
Non-Major Governmental Funds
September 30, 2013**

	<u>Department of Interior</u>		<u>HUD</u>		<u>USDA</u>	<u>NEH</u>
	<u>Fencing</u>	<u>Historical Preservation</u>	<u>NAHASDA</u>	<u>ICDBG</u>	<u>Food Distribution</u>	<u>Arkansas Archaeological</u>
Assets						
Cash and Cash Equivalents	\$6,360	\$0	\$9	\$0	\$0	\$4,646
Receivable From:						
Federal Agencies		1,295	1,493		262	
Total Assets	\$6,360	\$1,295	\$1,502	\$0	\$262	\$4,646
Liabilities and Fund Balances						
Liabilities:						
Accounts Payable	\$186	\$1,200	\$1,493	\$0	\$262	\$0
Accrued Expenses		95				
Total Liabilities	186	1,295	1,493	0	262	0
Fund Balances:						
Restricted Purposes	6,174		9			4,646
Total Fund Balances	6,174	0	9	0	0	4,646
Total Liabilities and Fund Balances	\$6,360	\$1,295	\$1,502	\$0	\$262	\$4,646

**Quapaw Tribe of Oklahoma
Balance Sheets
Non-Major Governmental Funds
September 30, 2013**

	Environmental Protection Agency					
	Air Quality	GAP	Super- fund	Super- Fund Remedial	Water Quality	Water 319
Assets						
Cash and Cash Equivalents	\$0	\$0	\$0	\$0	\$0	\$0
Receivable From:						
Federal Agencies	5,524	5,163		28	6,305	
Total Assets	\$5,524	\$5,163	\$0	\$28	\$6,305	\$0
Liabilities and Fund Balances						
Liabilities:						
Accounts Payable	\$5,524	\$5,163	\$0	\$28	\$6,305	\$0
Total Liabilities	5,524	5,163	0	28	6,305	0
Fund Balances:						
Total Fund Balances	0	0	0	0	0	0
Total Liabilities and Fund Balances	\$5,524	\$5,163	\$0	\$28	\$6,305	\$0

**Quapaw Tribe of Oklahoma
Balance Sheets
Non-Major Governmental Funds
September 30, 2013**

	Department of Justice						
	COPS Law Enforcement	COPS Meth	COPS Training/ Equipment	Grants to Tribal Government	Rural Domestic Violence	Tribal Youth Dare	Tribal Court/ Judicial
Assets							
Cash and Cash Equivalents	\$0	\$0	\$0	\$0	(\$56)	\$0	(\$144)
Receivable From:							
Federal Agencies					323		463
Total Assets	\$0	\$0	\$0	\$0	\$267	\$0	\$319
Liabilities and Fund Balances							
Liabilities:							
Accounts Payable	\$0	\$0	\$0	\$0	\$267	\$0	\$319
Total Liabilities	0	0	0	0	267	0	319
Fund Balances:							
Total Fund Balances	0	0	0	0	0	0	0
Total Liabilities and Fund Balances	\$0	\$0	\$0	\$0	\$267	\$0	\$319

**Quapaw Tribe of Oklahoma
Balance Sheets
Non-Major Governmental Funds
September 30, 2013**

	Department of Health & Human Services				
	Child Care	Child & Family	Family Protection	LIHEAP	NACG
Assets					
Cash and Cash Equivalents	\$0	\$0	\$0	\$0	\$0
Receivable From:					
Federal Agencies	28,632	10,279	40,806	1,400	826
Total Assets	\$28,632	\$10,279	\$40,806	\$1,400	\$826
Liabilities and Fund Balances					
Liabilities:					
Accounts Payable	\$28,632	\$10,279	\$40,806	\$1,400	\$826
Total Liabilities	28,632	10,279	40,806	1,400	826
Fund Balances:					
Total Fund Balances	0	0	0	0	0
Total Liabilities and Fund Balances	\$28,632	\$10,279	\$40,806	\$1,400	\$826

**Quapaw Tribe of Oklahoma
Balance Sheets
Non-Major Governmental Funds
September 30, 2013**

	PSSF	Title VI A	Community Health Rep	Self Governance	Substance Abuse
Assets					
Cash and Cash Equivalents	\$0	\$754	\$629	\$120	\$29,262
Receivable From:					
Federal Agencies	201	3,168		36,880	129
Total Assets	\$201	\$3,922	\$629	\$37,000	\$29,391
Liabilities and Fund Balances					
Liabilities:					
Accounts Payable	\$201	\$3,922	\$629	\$37,000	\$2,599
Total Liabilities	201	3,922	629	37,000	2,599
Fund Balances:					
Restricted Purposes					26,792
Total Fund Balances	0	0	0	0	26,792
Total Liabilities and Fund Balances	\$201	\$3,922	\$629	\$37,000	\$29,391

**Quapaw Tribe of Oklahoma
Balance Sheets
Non-Major Governmental Funds
September 30, 2013**

	<u>Museum & Library</u>		<u>FEMA</u>		<u>OKLA</u>	<u>Total</u>
	<u>Library</u>	<u>Library</u>	<u>Home-</u>	<u>Assistance</u>	<u>Child &</u>	<u>Non</u>
	<u>Basic</u>	<u>Enhance-</u>	<u>land</u>	<u>to</u>	<u>Adult</u>	<u>Major</u>
		<u>ment</u>	<u>Security</u>	<u>Firefighters</u>	<u>Food</u>	<u>Govern-</u>
					<u>Care</u>	<u>mental</u>
Assets						
Cash and Cash Equivalents	\$5,174	\$7,724	\$0	(\$44,878)		\$9,600
Receivable From:						
Federal Agencies				87,053		230,230
Total Assets	\$5,174	\$7,724	\$0	\$42,175	\$0	\$239,830
Liabilities and Fund Balances						
Liabilities:						
Accounts Payable	\$886	\$7,724	\$0	\$3,101		\$158,752
Accrued Expenses						95
Payable To:						
Other Funds				39,074		39,074
Component Units						
Deferred Revenue						
Total Liabilities	886	7,724	0	42,175	0	197,921
Fund Balances:						
Restricted Purposes	4,288					41,909
Total Fund Balances	4,288	0	0	0	0	41,909
Total Liabilities and Fund Balances	\$5,174	\$7,724	\$0	\$42,175	\$0	\$239,830

Quapaw Tribe of Oklahoma
Statements of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended September 30, 2013

	<u>Department of Interior</u>		<u>HUD</u>		<u>USDA</u>	<u>NEH</u>
	<u>Fencing</u>	<u>Historical Preservation</u>	<u>NAHASDA</u>	<u>ICDBG</u>	<u>Food Distribution</u>	<u>Arkansas Archaeological</u>
Revenues						
From Federal Agencies:						
Department of Interior	\$33,963	\$58,223	\$0	\$0	\$0	\$0
Housing & Urban Development			278,052	940,321		
Department of Agriculture					16,311	
Others						9,394
Total Revenues	<u>33,963</u>	<u>58,223</u>	<u>278,061</u>	<u>960,817</u>	<u>16,311</u>	<u>9,394</u>
Expenditures						
Community Service					16,311	
Cultural Preservation		58,223				4,748
Housing Assistance			248,052			
Construction Services	27,789			158,137		
Capital Outlays				752,000		
Total Expenditures	<u>27,789</u>	<u>58,223</u>	<u>248,052</u>	<u>910,137</u>	<u>16,311</u>	<u>4,748</u>
Excess (Deficiency) of Revenues over Expenditures	6,174		30,009	50,680		4,646
Other Financing Sources (Uses)						
Transfers Out:						
Indirect			(30,000)	(30,184)		
Total Other Financing Sources and Uses			(30,000)	(30,184)		
Net Change in Fund Balances	6,174		9	20,496		4,646
Fund Balance - Beginning	0	0	0	(20,496)	0	0
Fund Balance - Ending	<u>\$6,174</u>	<u>\$0</u>	<u>\$9</u>	<u>\$0</u>	<u>\$0</u>	<u>\$4,646</u>

Quapaw Tribe of Oklahoma
Statements of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended September 30, 2013

	Environmental Protection Agency					
	Air Quality	GAP	Superfund	Superfund Remedial	Water Quality	Water 319
Revenues						
From Federal Agencies:						
Department of Interior	\$0	\$0	\$0	\$0	\$0	\$0
Environmental Protection Agency	194,096	131,220	91,890	122,013	113,746	4,612
Total Revenues	194,096	131,220	91,890	122,013	113,746	4,612
Expenditures						
Environmental	129,808	106,314	78,560	110,611	101,791	4,612
Total Expenditures	129,808	106,314	78,560	110,611	101,791	4,612
Excess (Deficiency) of Revenues over Expenditures	64,288	24,906	13,330	11,402	11,955	
Other Financing Sources (Uses)						
Transfers Out:						
Indirect	(64,288)	(18,906)	(13,330)	(11,402)	(11,955)	
Total Other Financing Sources and Uses	(64,288)	(18,906)	(13,330)	(11,402)	(11,955)	
Net Change in Fund Balances		6,000				
Fund Balance - Beginning	0	(6,000)	0	0	0	0
Fund Balance - Ending	\$0	\$0	\$0	\$0	\$0	\$0

Quapaw Tribe of Oklahoma
Statements of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended September 30, 2013

	Department of Justice						
	COPS Law Enforcement	COPS Meth	COPS Training/ Equipment	Grants to Tribal Government	Rural Domestic Violence	Tribal Youth Dare	
Revenues							
<i>From Federal Agencies:</i>							
Department of Interior	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Department of Justice	251,311	22,914	101,412	7,680	199,369	115,726	37,022
Total Revenues	251,311	22,914	101,412	7,680	199,369	115,726	37,022
Expenditures							
Law Enforcement	188,875	3,122	3,247	2,680	83,033	58,330	37,022
Capital Outlays	13,750					30,000	
Total Expenditures	202,625	3,122	3,247	2,680	83,033	88,330	37,022
Excess (Deficiency) of Revenues over Expenditures	48,686	19,792	98,165	5,000	116,336	27,396	
Other Financing Sources (Uses)							
Transfers Out:							
Indirect	(48,686)	(19,792)	(98,165)		(86,204)	(27,396)	
Total Other Financing Sources and Uses	(48,686)	(19,792)	(98,165)		(86,204)	(27,396)	
Net Change in Fund Balances				5,000	30,132		
Fund Balance - Beginning	0	0	0	(5,000)	(30,132)	0	0
Fund Balance - Ending	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Quapaw Tribe of Oklahoma
Statements of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended September 30, 2013

	Department of Health & Human Services				
	Child Care	Child & Family	Family Protection	LIHEAP	NACG
Revenues					
From Federal Agencies:					
Department of Interior	\$0	\$0	\$0	\$0	\$0
Department of Health & Human Services	872,231	16,323	48,417	11,217	36,732
Total Revenues	872,231	16,323	48,417	11,217	36,732
Expenditures					
Community Service	830,245	16,323	48,417	11,217	33,713
Total Expenditures	830,245	16,323	48,417	11,217	33,713
Excess (Deficiency) of Revenues over Expenditures	41,986				3,019
Other Financing Sources (Uses)					
Transfers Out:					
Indirect	(41,986)				(3,019)
Total Other Financing Sources and Uses	(41,986)				(3,019)
Net Change in Fund Balances					
Fund Balance - Beginning	0	0	0	0	0
Fund Balance - Ending	\$0	\$0	\$0	\$0	\$0

Quapaw Tribe of Oklahoma
Statements of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended September 30, 2013

	Department of Health & Human Services				
	PSSF	Title VI A	Community		
Health Rep			Self Governance	Substance Abuse	
Revenues					
From Federal Agencies:					
Department of Interior	\$0	\$0	\$0	\$0	\$0
Department of Health & Human Services	36,476	138,355	75,734	120,000	269,748
Total Revenues	36,476	138,355	75,734	120,000	269,748
Expenditures					
Community Service	36,476	165,803			
General Government				120,000	
Health Services			57,720		186,716
Total Expenditures	36,476	165,803	57,720	120,000	186,716
Excess (Deficiency) of Revenues over Expenditures		(27,448)	18,014		83,032
Other Financing Sources (Uses)					
Transfers In		35,000			
Transfers Out:					
Indirect		(7,552)	(18,014)		(56,240)
Other					
Total Other Financing Sources and Uses		27,448	(18,014)		(56,240)
Net Change in Fund Balances					26,792
Fund Balance - Beginning	0	0	0	0	0
Fund Balance - Ending	\$0	\$0	\$0	\$0	\$26,792

Quapaw Tribe of Oklahoma
Statements of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended September 30, 2013

	<u>Museum & Library</u>		<u>FEMA</u>		<u>OKLA</u>	<u>Total</u>
	<u>Library</u>	<u>Library</u>	<u>Home-</u>	<u>Assistance</u>	<u>Child &</u>	<u>Non</u>
	<u>Basic</u>	<u>Enhance-</u>	<u>land</u>	<u>to</u>	<u>Adult</u>	<u>Major</u>
		<u>ment</u>	<u>Security</u>	<u>Firefighters</u>	<u>Food</u>	<u>Govern-</u>
					<u>Care</u>	<u>mental</u>
Revenues						
From Federal Agencies:						
Department of Interior	\$0	\$0	\$0	\$0	\$0	\$92,186
Department of Health & Human Services						1,625,233
Housing & Urban Development						1,218,373
Department of Agriculture						16,311
Environmental Protection Agency						657,577
Institute of Museum & Library	14,000	94,354				108,354
Department of Justice						735,434
Federal Emergency Management			704,754	87,053		791,807
Others						9,394
From State and Local Governments					18,556	18,556
Investment income						9
Total Revenues	<u>14,000</u>	<u>94,354</u>	<u>704,754</u>	<u>87,053</u>	<u>18,556</u>	<u>5,293,730</u>
Expenditures						
Community Service				87,053		1,245,558
Cultural Preservation	9,712	54,720				127,403
General Government						120,000
Health Services						244,436
Housing Assistance						248,052
Law Enforcement			433,144			809,453
Environmental						531,696
Construction Services						185,926
Capital Outlays			234,610			1,030,360
Total Expenditures	<u>9,712</u>	<u>54,720</u>	<u>667,754</u>	<u>87,053</u>		<u>4,542,884</u>
Excess (Deficiency) of Revenues over Expenditures	4,288	39,634	37,000		18,556	750,846
Other Financing Sources (Uses)						
Transfers In						35,000
Transfers Out:						
Indirect		(39,634)	(37,000)			(663,753)
Other					(18,556)	(18,556)
Total Other Financing Sources and Uses		<u>(39,634)</u>	<u>(37,000)</u>		<u>(18,556)</u>	<u>(647,309)</u>
Net Change in Fund Balances	4,288					103,537
Fund Balance - Beginning	0	0	0	0	0	(61,628)
Fund Balance - Ending	<u>\$4,288</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$41,909</u>

Quapaw Tribe of Oklahoma
Statements of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds Summary
For the Year Ended September 30, 2013

	Dept of the Interior	Environmental Protection Agency	Dept of Justice	Dept of Health & Human Services	Dept of Housing & Urban Development	NEH
Revenues						
From Federal Agencies	\$1,935,492	\$657,577	\$735,434	\$1,625,233	\$1,218,373	\$9,394
Investment Income	226				9	
Total Revenues	1,935,718	657,577	735,434	1,625,233	1,238,878	9,394
Operating Expenses						
Personnel Services	308,747	288,254	63,653	320,045	40,826	
Fringe Benefits	129,945	77,119	25,327	116,203	22,507	
Travel/Training	6,898	37,345	23,744	12,381	1,608	4,748
Repair & Maintenance		6,836		1,833		
Rent & Utilities	122	5,570		2,061	259	
Office Supplies	6,316	8,093	14,896	551	216	
Supplies	4,986	6,631	209,735	19,575		
Contractual Services	2,329		18,910	297,877	686	
Insurance		1,260		1,259		
Program	63,080	93,421	9,655	724,252	339,852	
Other Supplies & Expenses	11,773	7,167	10,389	10,593	235	
Capital Outlays	1,701,225		43,750		752,000	
Total Operating Expenses	2,235,421	531,696	420,059	1,506,630	1,158,189	4,748
Operating Income (Loss)	(299,703)	125,881	315,375	118,603	80,689	4,646
Income (Loss) before contributions and transfers						
	(299,703)	125,881	315,375	118,603	80,689	4,646
Transfers in						
Transfers out Indirect	(249,427)	(119,881)	(280,243)	(126,811)	(60,184)	
Transfers out Other	(442,400)			35,000		
Change in net assets	(991,530)	6,000	35,132	26,792	20,505	4,646
Total net assets, beginning	2,921,271	(6,000)	(35,132)		(20,496)	
Total net assets, ending	\$1,929,741	\$0	\$0	\$26,792	\$9	\$4,646

Quapaw Tribe of Oklahoma
Statements of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds Summary
For the Year Ended September 30, 2013

	Dept of Agri- Culture	Institute of Museum & Library	Federal Emergency Management Administration	State Grants	Indirect	Tribal Programs	Proprietary Funds	Total All Primary Government
Revenues								
From Federal Agencies	\$16,311	\$108,354	\$791,807	\$0	\$0	\$0		\$7,097,975
From State & Local Governments				18,556				18,556
Charges for Services						4,963,330	1,693,884	6,657,214
Investment Income					41	39,810	25	40,111
Miscellaneous						1,964,960		1,985,456
Total Revenues	16,311	108,354	791,807	18,556	41	6,968,100	1,693,909	15,799,312
Operating Expenses								
Personnel Services		21,282			433,151	5,568,053	529,037	7,573,048
Fringe Benefits		1,363			141,951	3,121,563	141,810	3,777,788
Travel/Training		3,994			29,753	210,606	10,917	341,994
Repair & Maintenance					53	368,447	10,107	387,276
Rent & Utilities						430,955	10,637	449,604
Office Supplies		7,400			57,520	206,168	15,713	316,873
Supplies		30,393			241,917	108,784	35,010	657,031
Contractual Services					40,775	1,802,948	20,335	2,183,860
Insurance					23,000	50,183	7,425	83,127
Program	16,311		520,197			3,975,964	627,600	6,370,332
Other Supplies & Expenses					91,708	5,400,587	6,023	5,538,475
Capital Outlays			234,610			3,443,374		6,174,959
Cost of Sales							27,506	27,506
Interest expense						152,621	96,967	249,588
Depreciation & Amortization							27,613	27,613
Total Operating Expenses	16,311	64,432	754,807		1,059,828	24,840,253	1,566,700	34,159,074
Operating Income (Loss)		43,922	37,000	18,556	(1,059,787)	(17,872,153)	127,209	(18,359,762)
Nonoperating Revenues (Expenses)								
Miscellaneous Revenue							960,000	960,000
Miscellaneous Expense								
Total Nonoperating revenue (expense)							960,000	960,000
Income (Loss) before contributions and transfers		43,922	37,000	18,556	(1,059,787)	(17,872,153)	1,087,209	(17,399,762)
Transfers in						14,695,795	379,602	15,075,397
Transfers out Indirect		(39,634)	(37,000)		1,117,254	(204,074)		
Transfers out Other				(18,556)	(262,672)	(99,100)	(2,275,529)	(3,063,257)
Change in net assets		4,288			(205,205)	(3,479,532)	(808,718)	(5,387,622)
Total net assets, beginning					214,950	11,350,610	2,218,111	16,643,314
Total net assets, ending	\$0	\$4,288	\$0	\$0	\$9,745	\$7,871,078	\$1,409,393	\$11,255,692

Reports on Legal and other Regulatory Requirements

Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Business Committee
Quapaw Tribe of Oklahoma
Quapaw, Oklahoma

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, the business-type activities, each major fund, and the aggregate remaining fund information of Quapaw Tribe of Oklahoma, as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise Quapaw Tribe of Oklahoma’s basic financial statements, and have issued our report thereon dated June 27, 2014. Our report includes a reference to other auditors who audited the financial statements of the Downstream Development Authority and Quapaw Casino, as described in our report on Quapaw Tribe of Oklahoma’s financial statements. This report does not include the results of the other auditors’ testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Quapaw Tribe of Oklahoma’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Quapaw Tribe of Oklahoma’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Quapaw Tribe of Oklahoma’s internal control.

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs to be a material weakness. See finding 2013-1.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Quapaw Tribe of Oklahoma’s 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 determination of financial statements amounts. 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.

Reggie Carr : Monroe LLP

June 27, 2014
Tulsa, Oklahoma

Independent Auditor's Report On Compliance for Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133

To the Business Committee
Quapaw Tribe of Oklahoma
Quapaw, Oklahoma

Report on Compliance for Each Major Federal Program

We have audited Quapaw Tribe of Oklahoma's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Quapaw Tribe of Oklahoma's major federal programs for the year ended September 30, 2013. Quapaw Tribe of Oklahoma's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Quapaw Tribe of Oklahoma's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Quapaw Tribe of Oklahoma's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Quapaw Tribe of Oklahoma's compliance.

Opinion on Each Major Federal Program

In our opinion, Quapaw Tribe of Oklahoma Quapaw Tribe of Oklahoma complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2013.

Report on Internal Control over Compliance

Management of Quapaw Tribe of Oklahoma is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Quapaw Tribe of Oklahoma's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Quapaw Tribe of Oklahoma's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Reggie Carr : Monroe LLP

June 27, 2014
Tulsa, Oklahoma

**Quapaw Tribe of Oklahoma
Schedule of Findings and Questioned Costs
For the year ended September 30, 2013**

SECTION I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

 X Yes

 No

Significant deficiency(ies) identified?

 Yes

 X None reported

Noncompliance material to financial statements noted?

 Yes

 X No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?

 Yes

 X No

Significant deficiency(ies) identified?

 Yes

 X None reported

Type of auditor's report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?

 Yes

 X None reported

Identification of major programs:

CFDA Number(s)

15.033

15.021

93.596/93.575

16.710

14.862

97.067

Name of Federal Program or Cluster

Roads Construction

Consolidated Tribal Programs

CCDF Cluster

COPS

ICDBG

Tribal Homeland Security

Dollar threshold used to distinguish between type A and type B programs:

\$ 300,000

Auditee qualified as low-risk auditee?

 X Yes

 No

Quapaw Tribe of Oklahoma
Schedule of Findings and Questioned Costs
For the year ended September 30, 2013

SECTION II – Financial Statement Findings

Finding 2013-1

Criteria

Financial statements should be maintained in accordance with generally accepted accounting principles on a material basis.

Condition

We observed that material adjustments were necessary to facilitate the preparation of financial statements in accordance with generally accepted accounting principles. Management should consider additional review procedures to identify potential misstatements.

Cause

Necessary accounting entries were not posted to the general ledger. Failure to record these entries was not detected by management in their periodic review of the financial statements and information.

Effect or Potential Effect

Six (6) material adjustments totaling \$1,326,173 were required to present the financial statements in accordance with generally accepted accounting principles on a material basis.

Recommendation

We recommend management perform additional review prior to the commencement of the September 30, 2014 audit upon accounts which required adjustments.

View of Responsible Officials and Planned Corrective Action

Management will perform additional review prior to the commencement of the September 30, 2014 audit upon accounts which required adjustments.

SECTION III – Federal Award Findings and Questioned Costs

No matters were reported.

Quapaw Tribe of Oklahoma
Schedule of Expenditures of Federal Awards and Non-Federal Income and Expenditures
For the Year Ended September 30, 2013

Grantor	Program	CFDA#	Grant Number	Grant Period	Grant Amount	2013	Non-	2013	Non-	2012	Transfers (To)From	2013
						Revenue Recognized	Federal Income	Expended	Federal Expended	Fund Balance		Fund Balance
DOI	Consolidated Tribal Programs	15.021	CTG04T9240	10-1-12/9-30-13	\$2,054,088	\$1,214,954	\$40	(\$620,790)	(\$40)	\$405,797	(\$442,400)	\$557,561
	Fencing	15.041	CTG04T92033	9-23-10/9-30-13	230,000	33,963		(27,789)				6,174
	Roads Construction	15.033	CTG04T9240	10-1-10/9-30-13	631,170	628,352	186	(1,777,820)	(186)	2,515,474		1,366,006
	Historical Preservation	15.904	P13AF00131	10-1-12/9-30-14	49,899	11,073		(11,073)				
	Historical Preservation	15.904	4012NA884D	10-1-11/9-30-13	56,852	47,150		(47,150)				
	Total Historical Preservation					106,751	58,223		(58,223)			
Total Department of the Interior					3,022,009	1,935,492	226	(2,484,622)	(226)	2,921,271	(442,400)	1,929,741
EPA	Air Quality	66.034	XA00F51501	10-1-12/9-30-13	462,337	184,083		(184,083)				
	Air Quality	66.034	XA00F35201	10-1-11/9-30-12	169,984	10,013		(10,013)				
	Total Air Quality				632,321	194,096		(194,096)				
	General Assistance Program	66.926	GA00F15401	10-1-10/9-30-13	484,250	131,220		(125,220)		(6,000)		
	Superfund	66.802	V00F09901	3-1-10/12-31-13	504,840	91,890		(91,890)				
	Superfund Remedial	66.802	V00F63901	10-1-12/9-30-14	500,000	122,013		(122,013)				
	Total Superfund				1,004,840	213,903		(213,903)				
	Water	66.419	I00F54401	10-1-12/9-30-13	347,197	113,746		(113,746)				
Water Quality 319	66.460	C900F34101	10-1-12/9-30-13	60,000	4,612		(4,612)					
Total Environmental Protection Agency					2,528,608	657,577		(651,577)		(6,000)		
DOJ	COPS Methamphetamine	16.710	2011CKWX0114	10-1-11/9-30-13	126,425	22,914		(22,914)				
	COPS Equipment & Training	16.710	2011HEWX0038	10-1-11/9-30-13	627,070	101,412		(101,412)				
	COPS 2012	16.710	2012HEWX0025	10-1-11/9-30-13	559,296	251,311		(251,311)		.		
	Total COPS				1,312,791	375,637		(375,637)				
	Courts	16.608	2010ICBX0026	10-1-10/9-30-11	334,986	37,022		(37,022)		.		
	Grants to Tribal Governments	16.587	2007TWAX0012	9-1-07/8-31-13	199,125	7,680		(2,680)		(5,000)		
	Rural Domestic Violence	16.589	2009TWAX0040	9-1-09/8-31-14	400,000	163,510		(163,510)				
	Rural Domestic Violence	16.589	2006WRAX0026	8-1-06/7-31-12	298,718	35,859		(5,727)		(30,132)		
	Total Rural Domestic Violence				698,718	199,369		(169,237)		(30,132)		
	Tribal Youth (DARE)	16.548	2012TYFX0023	10-1-12/9-30-15	314,719	115,726		(115,726)				
Total Department of Justice					2,860,339	735,434		(700,302)		(35,132)		

Quapaw Tribe of Oklahoma
Schedule of Expenditures of Federal Awards and Non-Federal Income and Expenditures
For the Year Ended September 30, 2013

Grantor	Program	CFDA#	Grant Number	Grant Period	2013		Non-Federal Income	2013 Expended	Non-Federal Expended	2012 Fund Balance	Transfers (To)From	2013 Fund Balance
					Grant Amount	Revenue Recognized						
HHS	Child Care - Discretionary	93.575	G13PZOKCCDF	10-1-12/9-30-14	753,000	91,400		(91,400)				
	Child Care - Mandatory	93.596	G12PZOKCCDF	10-1-11/9-30-13	475,614	482,450		(482,450)				
	Child Care - Discretionary	93.575	G12PZOKCCDF	10-1-11/9-30-13	302,760	289,512		(289,512)				
	Child Care - Mandatory	93.596	G11PZOKCCDF	10-1-10/9-30-13	462,966	8,869		(8,869)				
	Total Child Care Cluster				1,994,340	872,231		(872,231)				
	Child & Family	93.645	G1201OK1516	10-1-12/9-30-14	16,323	16,323		(16,323)				
	Family Violence Prevention	93.671	G12PZOKFVPS	10-1-10/9-30-12	48,417	48,417		(48,417)				
	LIHEAP	93.568	G1PZOKLIEA	10-1-12/9-30-14	26,420	10,237		(10,237)				
	LIHEAP	93.568	G12PZOKLIEA	10-1-10/9-30-12	26,522	980		(980)				
	Total LIHEAP				52,942	11,217		(11,217)				
	NACG	93.054	1122OKT6CG	10-1-10/9-30-13	118,390	36,732		(36,732)				
	PSSF	93.556	G13PZOKFPSS	10-1-12/9-30-14	30,222	1,193		(1,193)				
	PSSF	93.556	G12PZOKFPSS	10-1-11/9-30-14	28,880	23,246		(23,246)				
	Total PSSF				59,102	24,439		(24,439)				
	Title VI	93.047	1122OKT6NS	4-1-11/3-31-14	344,070	138,355		(173,355)				35,000
CHR	93.441	HHSI24620070006	10-1-06/9-30-13	381,188	75,734		(75,734)					
Substance Abuse	93.218	HHSI24620070008	10-1-06/9-30-13	1,386,613	269,748		(242,956)				26,792	
Self Governance	93.444	U152IHS0085	10-1-12/9-30-13	120,000	120,000		(120,000)					
Total Department of Health & Human Services				4,521,385	1,613,196		(1,621,404)				35,000	26,792
HUD	NAHASDA	14.867	55IT4024740	10-1-12/9-30-13	\$306,002	\$278,052	\$9	(\$278,043)	(\$9)	\$0	\$0	\$9
	ICDBG - Wellness Center	14.862	B12SR402474	10-1-11/9-30-14	800,000	752,000		(752,000)				
	ICDBG - Elder's Center Expansion	14.862	B11SR402474	10-1-11/9-30-13	799,894	188,321		(188,321)				
	ICDBG - Convenience Store	14.862	B10SR402474	3-23-11/9-30-13	799,999	16,022	4,474			(20,496)		
	Total ICDBG				2,399,893	956,343	4,474	(940,321)		(20,496)		
	Total Housing & Urban Development				2,705,895	1,234,395	4,483	(1,218,364)		(9)	(20,496)	
USDA	Food Distribution	93.053	1122OKNSIP	10-1-10/9-30-13	35,803	16,311		(16,311)				
	Total Department of Agriculture				35,803	16,311		(16,311)				
IMLS	Library Basic	45.311	NG0510010011	10-1-11/9-30-12	14,000	14,000		(9,712)				4,288
	Library Enhancement	45.311	NG0311023511	10-1-11/9-30-13	126,590	94,354		(94,354)				
	Total Institute of Museum and Library Services				140,590	108,354		(104,066)				4,288

Quapaw Tribe of Oklahoma
Schedule of Expenditures of Federal Awards and Non-Federal Income and Expenditures
For the Year Ended September 30, 2013

Grantor	Program	CFDA#	Grant Number	Grant Period	Grant Amount	2013	Non-	2013	Non-	2012	Transfers	2013	
						Revenue Recognized	Federal Income	Expended	Federal Expended	Fund Balance	(To)From	Fund Balance	
NEH	Arkansas Archaeological Survey	45.000				9,394		(4,748)				4,646	
Total NEH						9,394		(4,748)				4,646	
USHS	Tribal Homeland Security	97.067	EMW2012SS00105	10-1-12/9-30-14	431,790	336,038		(336,038)					
	Tribal Homeland Security	97.067	EMW2011SS00086	10-1-11/9-30-13	340,604	368,716		(368,716)					
Total Tribal Homeland Security						772,394	704,754	(704,754)					
	Assistance to Firefighters	97.044	EMW2012FO05102	11-1-12/9-30-13	96,912	87,053		(87,053)					
Total Department of Homeland Security						869,306	791,807	(791,807)					
Total Federal Funds						\$16,683,935	\$7,101,960	\$4,709	(\$7,593,201)	(\$235)	\$2,859,643	(\$407,400)	\$1,965,476
OKLA	Child & Adult Care Food/Commodity	0	DC58061	10-1-12/9-30-13	18,556	18,556						(18,556)	
OKLA	PSSF	0	11024415	10-1-12/9-30-13	12,037	12,037		(12,037)					
Total State						\$0	\$0	\$0	(\$12,037)	\$0	(\$18,556)	\$0	

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards was prepared on the modified accrual basis of accounting. The information in the schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Indian Tribes.

Note 2. Subrecipients

The Quapaw Tribe of Oklahoma has no subrecipients.

Note 3. Matching and In-Kind Services

The Quapaw Tribe of Oklahoma provided both cash and services to many programs in 2013. The cash amounts are included in the above schedule as transfers.

The amounts of cash and in-kind contributions by program are as follows:

<u>Program</u>	<u>Cash</u>	<u>In Kind</u>
Water		\$ 5,908
Title VI	35,000	
Totals	\$ 35,000	\$ 5,908

Note 4. Realty, Law Enforcement, and Tribal Courts - CTGP funds transfer only are included in this schedule. See Tribal programs for complete information

Quapaw Tribe of Oklahoma
Notes to the Schedule of Expenditures of Federal Awards and Non-Federal Income and Expenditures
For the Year Ended September 30, 2013

BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards and non-federal income and expenditures (the "Schedule") includes the federal grant activity of the Quapaw Tribe of Oklahoma under programs of the federal government for the year ended September 30, 2013. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Government, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the Quapaw Tribe of Oklahoma, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Quapaw Tribe of Oklahoma.

SUMMARY OF SIGNIFICANT ACCOUNTING

Expenses reported on the schedule are reported on the accrual basis of accounting. Such expenses are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*.