

IN THIS ISSUE

Please Hold: What You Need to Know Before Expanding Your Tribe's Telecom Services

Telecom Resources for Tribes

Simplified NAHASDA Reporting Requirements

Expanded Tribal Accounting Expertise in Southern California

NAFOA SPRING CONFERENCE

March 20–21 | New Orleans

Join us at NAFOA's 30th anniversary conference, where members of the Moss Adams Tribal Services Group will present on selected financial topics.

Register today at www.nafoa.org/events.php.



istockphoto | thinkstock

Please Hold: What You Need to Know Before Expanding Your Tribe's Telecom Services

by Corrine Wilson, Senior Manager, Tribal Services Group, and Chad Duval, Principal, Telecom Group

Considering bringing broadband or other telecom services to your tribe or forming a tribal telecom enterprise for your members and businesses? If so, there are governance and regulatory issues you'll need to plan for.

The first thing to know is that tribally owned telecom enterprises are regulated by the Federal Communications Commission, which has extensive and complex requirements for operating and financial reporting that differ from US generally accepted accounting principles. Be prepared to invest in the technical expertise and resources needed.

You'll also need to determine your tribe's internal regulatory framework, including its legal structure and ordinances, and ensure the tribe has competent oversight that's knowledgeable about the ever-changing technology industry.

In addition, federal funds for tribal telecom projects are very limited. This is driving some tribes to look into partnerships with existing private-sector carriers. The accounting for such arrangements may be complex and should be analyzed to ensure the tribe complies with all requirements.

TELECOM RESOURCES FOR TRIBES

For more information on expanding your tribal telecom services, consider attending the Tribal Telecom 2012 conference (www.tribaltelecom2012.com) this February in Phoenix. A number of legal and accounting professionals will be in attendance, including Moss Adams LLP Telecom Group principal Chad Duval and partner Clay Sturgis. In addition, a new publication on tribal tax issues will soon be available. Contact us at tribes@mossadams.com to reserve your copy.

Lastly, with or without a tribal telecom enterprise, you'll also need to consider a number of tax issues. For example, state taxes for telecom services to tribal members may not apply, and you may also consider implementing tribal taxes. There may be opportunities for tribes to generate tax revenues for services or consider sales taxes arising from Internet sales. However,



**Expanded
Tribal Accounting
Expertise
in Southern
California**

Moss Adams is pleased to announce that Ryan Luetkemeyer, a senior manager in our Tribal Services Group, will add his know-how to our San Diego office. Ryan, previously based in our Bellingham office, has more than 10 years of experience serving tribal governments and casinos. In addition to performing annual financial audits and reviews, he specializes in fraud investigations and evaluating internal control safeguards for tribes and their gaming operations. He can be reached at 858-627-1479 or at ryan.luetkemeyer@mossadams.com.

www.mossadams.com/tribes

Acumen. Agility. Answers.

this may take significant collaboration with state regulatory authorities and tribal legal experts.

Operating a tribal telecom enterprise has many advantages, including new revenue streams and improved services for members. But it requires significant up-front planning and investment to meet the operational, legal, accounting, and tax complexities. Make sure you get the right technical assistance every step of the way.

Simplified NAHASDA Reporting Requirements

by Angela Martin, Manager, Tribal Services Group

Life just got a little easier for tribally designated housing entities (TDHEs) with multiple open NAHASDA grant years. Previously, TDHEs had to report activity on each open grant individually on their Annual Performance Report (APR)—a very time-consuming and potentially complex process. However, under HUD guidance in PIH 2011-23, for grant years beginning October 1, 2011, TDHEs will now be able to report all open grant years as one combined grant.

Before doing so, TDHEs will have to close all prior open grants, and HUD will roll remaining unexpended funds into a new, combined grant. HUD's LOCCS system will then automatically disburse the oldest funds first until they're all expended.

Another aspect of the new simplified reporting is that the APR and the Indian

Housing Plan (IHP) will be combined into one form, and there will no longer be a requirement to prepare final close-out reports, since subsequent annual awards will be added to the one remaining consolidated grant. Grants with Recovery Act funds, however, are the exception to this consolidation and will still need to be individually tracked and reported. Ultimately, on the new IHP/APR form TDHEs will report any carryover funds from the older grants as one grant rather than as individual grants by year.

These new rules should significantly reduce the accounting and reporting burden for TDHEs with multiple open grant years. For more information or for a copy of HUD's PIH 2011-23, contact us at tribes@mossadams.com or get in touch with your local HUD ONAP official.



Chad Baker | thinkstock