***Use for 06/30/2023 and/or 06/30/2024 AUPs [[1]](#endnote-1)***

***(Community Authority[[2]](#endnote-2) AUP – Per AT-C 105 & 215 & GAGAS, January 2024[[3]](#endnote-3))[[4]](#endnote-4)***

**INDEPENDENT ACCOUNTANT’S REPORT ON APPLYING AGREED-UPON PROCEDURES**

[Name of] Community Authority

[Name of] County

[Address]

[City], Ohio [Zip Code]

We have performed the procedures enumerated below on the [Name of] Community Authority’s (the Authority) receipts, disbursements and balances recorded in the cash basis accounting records for the years ended June 30, 2024 and 2023 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Authority. The Authority is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended June 30, 2024 and 2023 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Authority.

The Governing Board and the management of the Authority have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the Authority’s receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended June 30, 2024 and 2023, and certain compliance requirements related to these transactions and balances. **[Additionally, the Auditor of State has agreed to and acknowledged that the procedures performed are appropriate to meet their purposes.]*[[5]](#endnote-5) [<<IPAs must insert this. AOS staff should never insert this].***  No other party acknowledged the appropriateness of the procedures***.*** This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of the report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

For the purposes of performing these procedures, this report only describes exceptions exceeding $10.

The procedures and the associated findings are as follows:

**Cash [and Investments] *[if applicable]***

1. [XXX County] ***[<< revise as needed.]***is the custodian for the Authority’s deposits [and investments], and therefore the County’s deposit and investment pool holds the Authority’s assets. We [compared (confirmed)]***[[6]](#endnote-6)*** the Authority’s fund balances reported on its June 30, 2024 [Fund Status Report] to the balances reported in [XXX County]’saccounting records. The amounts agreed.
2. We agreed the July 1, 2022 beginning fund balances for [each fund]***[[7]](#endnote-7)*** recorded in the [Fund Ledger Report]***[[8]](#endnote-8)*** to the June 30, 2022 balances in the prior year [audited statements] ***OR*** [documentation in the prior year Agreed-Upon Procedures working papers]. We found no exceptions. We also agreed the July 1, 2023 beginning fund balances for each fund recorded in the [Fund Ledger Report] to the June 30, 2023 balances in the [Fund Ledger Report]. We found no exceptions.
3. We inspected the [Fund Status Report] to determine whether the Finding(s) For Adjustment identified in the prior [audit report] ***OR***[agreed-upon procedures report]*,* due from the X fund, payable to the Y fund,was properly posted to the ledgers and reflected in the fund balances in Procedure 2. We found no exceptions. ***[Delete procedure if not applicable. If the adjustment was not properly posted, you should reissue the FFA in this AUP.]***
4. We compared investments held at June 30, 2024 and June 30, 2023 to investment permitted by Ohio Rev. Code § 349.12. We found no exceptions. ***[Delete procedure if not applicable]***

***For applicability of Receipt Testing sections below see guidance in footnote 10 and the AUP Additional Guidance Document.***

**Property Taxes, Intergovernmental and Other Confirmable Cash Receipts**

***[Modify these procedures as appropriate. For example not all entities receive property tax advances.]***

1. We selected a total of 5 receipts from the *Statement of Semiannual Apportionment of Taxes*, State Distribution Transaction Lists (DTL), and the County Auditor DTLs ***[<<<insert exact report name]*** for fiscal year 2024 and a total of 5 from fiscal year 2023: ***[Modify this procedure as appropriate. For example if no County DTL receipts, delete that sentence.]***
   1. We compared the amount from the above named report(s) to the amount recorded in the [Receipt Register Report]. The amounts agreed.
   2. We inspected the [Receipt Register Report] to determine these receipts were allocated to the proper fund(s) as required by Ohio Rev. Code §§ 5705.05 and 5705.10. We found no exceptions.
   3. We inspected the [Receipt Register Report] to determine whether the receipt was recorded in the proper year. The receipt was recorded in the proper year. We found no exceptions.
2. We inspected the [Receipt Register Report] to determine whether it included 2 real estate tax receipts [plus X advance(s)] for fiscal year 2024 and fiscal year 2023. The [Receipt Register Report] included the proper number of tax receipts for each year. We found no exceptions.
3. ***For other confirmable receipts, either confirm them or agree them to documentation supporting the amount received. [Note: This procedure is intended to test a funding source not already tested. For example, county receipts are already tested in procedures 1 and state receipts appearing on the DTL are already tested in procedure 1.] Example:*** We confirmed the [total amount paid] ***OR*** [individual amounts paid] from the [XXX***[[9]](#endnote-9)*** Community Improvement Corporation] to the Authority during [fiscal year 2023] with the Corporation. We found no exceptions.
   1. We inspected the [Receipt Register Report] to determine whether these receipts were allocated to the proper fund(s). We found no exceptions.
   2. We inspected the [Receipt Register Report] to determine whether the receipts were recorded in the proper year. We found no exceptions.

**Other Receipts*****[[10]](#endnote-10)***

We selected 10 other receipts from fiscal year ended June 30, 2024 and 10 other receipts from the fiscal year ended June 30, 2023 and:

* 1. Agreed the receipt amount recorded in the [Receipt Register Report] to supporting documentation. The amounts agreed.
  2. Confirmed the amounts charged complied with rates in force during the period. We found no exceptions. ***[If applicable]***
  3. Inspected the [Receipt Register Report] to determine the receipt was posted to the proper fund(s), and was recorded in the proper year. [We found no exceptions.] ***OR*** [We found 1 receipt of $100 for a xxx recorded in the Y fund that should have been recorded in the Z fund. We brought this to management’s attention. They corrected the fund Y and Z fund balances for this item. However, because we did not inspect all receipts, our report provides no assurance regarding whether or not other similar errors occurred.]

**Debt *[Debt must be tested regardless of materiality. Modify as applicable, and include only the procedures applicable during the AUP period. Procedures 1 and 2 always apply (to help determine completeness). Debt must be tested.***

1. From the prior [audit] ***OR*** [agreed-upon procedures]documentation, we observed the following [bonds, notes, loans, and leases] ***[<<modify as needed]*** were outstanding as of June 30, 2022.
   1. These amounts agreed to the Authority’s July 1, 2022 balances on the summary we used in procedure 3.
   2. ***[Note: This procedure is intended to determine compliance with debt covenants; specifically looking for debt covenants in which failure to follow the terms expressly indicates as a possible outcome modification of the payment terms or calling of the debt issue. For example if the Authority fails to make the payment on time or fails to follow the debt covenants does it result in modifications to the terms such as restructuring of the debt, additional interest charges, debt being due in full, etc.]*** We inspected the debt’s [final offering documents] ***<<< modify as needed ]*** for all outstanding debt, and we confirmed [the Authority does not have any debt covenants] ***OR*** [the debt covenants did not have requirements that failing to follow the terms indicates possible outcome modification of the debt terms] ***OR*** [the Authority was in compliance with the debt covenants listed below] ***OR*** [the Authority was in compliance with the listed covenants with the exception of [list the covenant violations].

|  |  |  |
| --- | --- | --- |
| **Issue** | **Principal outstanding as**  **of June 30, 2022:** | **Debt Covenant *[Delete this Column if the Authority does not have any Debt Covenants]*** |
| OPWC Cap Project Loan |  | [Indicate the covenant/(s) considered and their placement within the source documentation] |
| 2018 Fire Station Improvement and Equipment Bonds |  | [Not applicable] |

***OR*:** [The prior [audit] ***OR*** [agreed-upon procedures] documentation disclosed no debt outstanding as of June 30, 2022.

1. We inquired of management and inspected the [Receipt Register Report] and [Payment Register Detail Report] for evidence of debt issued during fiscal year 2024 or fiscal year 2023 or debt payment activity during fiscal years 2024 or 2023. [All debt agreed to the summary we used in procedure 3.] ***OR***[There were no new debt issuances, nor any debt payment activity during fiscal years 2024 or 2023.]***[Modify the above as needed.]***
2. We obtained a summary of [bonds, notes, loans, and leases] ***[<<modify as needed]*** debt activity for fiscal years 2024 and 2023 and agreed principal and interest payments from the related debt amortization schedule(s) to debt service fund payments reported in the [Payment Register Detail Report]. We also compared the date the debt service payments were due to the date the Authority’s made the payments. We found no exceptions.
3. For new debt issued during fiscal years 2024 and 2023, we inspected the [debt legislation and resolution / ordinance], which stated the Authority must use the proceeds to [purchase a fire truck]. We inspected the [Payment Register Detail Report] and observed the Authority [purchase a fire truck] in [May of 2023]. We found no exceptions. ***[<<<Modify procedure to briefly describe actual use of proceeds. Delete procedure if there was no new debt. If there was new debt but the proceeds were not fully spent, disclose the unspent balances as of June 30, 2024.]***

**Non-Payroll Cash Disbursements**

1. From the [Payment Register Detail Report], we re-footed checks recorded as General Fund disbursements for *security of persons and property*, and checks recorded as *public works* in theX fund for fiscal year 2024. We found no exceptions.***[Perform only if this is a manual system. Select one program from two funds to test foot. This procedure is N/A if the system is automated, such as UAN.]***
2. We selected 10 disbursements from the [Payment Register Detail Report] for the fiscal year ended June 30, 2024 and 10 from the fiscal year ended June 30, 2023 and determined whether:
   1. The disbursements were for a proper public purpose.***[[11]](#endnote-11)*** ***[[12]](#endnote-12)*** We found no exceptions.
   2. The check number, date, payee name and amount recorded on the [returned, canceled check] ***<<< modify if the payment was EFT/ACH]*** agreed to the check number, date, payee name and amount recorded in the [Payment Register Detail Report] and to the names and amounts on the supporting invoices. We found no exceptions.
   3. The payment was posted to a fund consistent with the restricted purpose for which the fund’s cash can be used. We found no exceptions.

**Sunshine Law Compliance *[2024 OCS 2B-8]***

***Applicability to the Sunshine laws in Ohio Compliance Supplement 2B-8 for this entity type should be determined through review of the*** [***Legal Matrix***](https://ohioauditor.gov/ocs/2024/legal_matrix.xlsx) ***(Exhibits 5 and 6, Including Exhibit 5 Footnotes 42-46) and possible subsequent consult with the AOS Legal division (IPAs should contact the*** [***IPAcorrespondence@ohioauditor.gov***](mailto:IPAcorrespondence@ohioauditor.gov) ***inbox).***

***For entities subject to the Sunshine Law as determined above, insert additional compliance steps from the AUP Add in Sunshine Law Compliance Procedures document located on the internet.***

**Other Compliance**

* + - 1. Ohio Rev. Code § 117.38 requires authorities to file their financial information in the HINKLE system within 60 days after the close of the fiscal year.  This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies, regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. We confirmed the Authority filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy within the allotted timeframe for the years ended June 30, 2024 and 2023 in the Hinkle system. [We found no exceptions.] ***OR*** [Financial information was filed on [Date] which was not within the allotted timeframe.] ***[2024 OCS 1 – 14][[13]](#endnote-13)***

**Related Party Transactions** ***[Delete this procedure if your entity does not have any related party transactions]***

1. ***[[14]](#endnote-14)***We inquired with management and identified the following Related Party Transactions:

a. [List related party transactions]

b. [List related party transactions]

We found no exceptions.

2. We confirmed the transactions with [the other party, or with intermediaries, such as banks, guarantors, agents, or attorneys.] We found no exceptions.

3. ***[[15]](#endnote-15)***We obtained supporting evidence for the Related Party Transactions identified in procedure 1. We found no exceptions.

***[Insert the following paragraph if the Authority declines to provide us written representations but has provided suitable written agreement of the procedures and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement: AOS auditors should also see additional guidance in the representation letter.]***

Attestation standards established by the American Institute of Certified Public Accountants require that we request certain required written representations from the Authority. We requested that the Authority provide such representations but the Governing Board and/or [fiscal officer or clerk treasurer] refused to do so.

We were engaged by the Authority to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the AICPA and the Comptroller General of the United States’ *Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Community Authority’s receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Authority and to meet our ethical responsibilities, in accordance with the ethical requirements established by the Comptroller General of the United States’ *Government Auditing Standards* related to our agreed upon procedures engagement.

Blank Signature

Signature Name

Signature Title

City, State

[Date]

1. This report shell should be used for entities with a testing period ending 6-30-2023 and/or 6-30-2024. For prior periods, AOS Staff please obtain the previous report shell from the Old Practice Aids. IPAs, please obtain the previous report shell by contacting the [IPAcorrespondence@ohioauditor.gov](mailto:IPAcorrespondence@ohioauditor.gov) inbox. This shell is written for a 2 year engagement, please modify as needed for single year AUP engagements. [↑](#endnote-ref-1)
2. This shell was written for Community Authorities established under Ohio Rev. Code § 349. Since each Community Authority engages in different activities, *you* must ensure all applicable segments are addressed in this AUP for **your specific** Community Authority. If they are not, AOS staff should submit a consult through the AUP Specialty in Spiceworks (IPAs should contact the [IPAcorrespondence@ohioauditor.gov](mailto:IPAcorrespondence@ohioauditor.gov) inbox) for additional procedures. [↑](#endnote-ref-2)
3. Updated January 2024 – Changes are not marked. The following should be completed prior to finalizing the report:

   * All the red references should be updated as appropriate and changed to black; and
   * All blue font items are guidance and need removed.

   [↑](#endnote-ref-3)
4. Please read the document, [*AUP Additional Guidance*](http://www.ohioauditor.gov/references/agreeduponprocedures.html) for additional information. [↑](#endnote-ref-4)
5. **IPA AUP engagements:** AOS is a specified party. The use of the procedures in this shell and AOS’ written approval of any modifications / additions to these procedures will serve as AOS' written agreement and acknowledgement that the procedures performed are appropriate to meet our intended purposes as a specified party. [↑](#endnote-ref-5)
6. If you can visit the fiscal agent, you can “compare” the balances by viewing the fiscal agent’s accounting records. (It does not matter if the fiscal agent’s records have been audited – we assume they will be audited and we are not aware of pervasive reconciling issues at many counties.) Also, see additional guidance on confirmations in the [*AUP Additional Guidance*](http://www.ohioauditor.gov/references/agreeduponprocedures.html) document. [↑](#endnote-ref-6)
7. Replace language with “Each Opinion Unit” if the prior engagement was a financial audit and if any prior findings for adjustments were adjusted to the client account records. [↑](#endnote-ref-7)
8. If the entity using the UAN system had no activity on 7/1/2022, then run the Fund Ledger Report as of the first date they had activity during the year. [↑](#endnote-ref-8)
9. Be specific in describing the procedure. If you have multiple funding sources to confirm, copy and paste this procedure for each funding source separately (i.e. OWDA, OPWC, etc.). [↑](#endnote-ref-9)
10. Other Receipts includes all receipts not tested in the procedures included in this report (i.e. Property taxes, Intergovernmental Receipts, Confirmable Receipts, etc. would be excluded from this total). Other Receipts should be assessed for each individual fund type category annually (e.g. governmental, fiduciary, and proprietary). [Omit this procedure unless other receipts exceed 10% of the appropriate category receipts.] [↑](#endnote-ref-10)
11. The following expenditures are considered allowable per Ohio Rev. Code § 349.06(E) Fix, alter, impose, collect and receive service and user fees, rentals, and other charges to cover all costs in carrying out the new community development program; Ohio Rev. Code § 349.06 (J), Apply for and accept grants, loans or commitments of guarantee or insurance including any guarantees of community authority bonds and notes, from the United States, the state, or other public body or other sources; and Ohio Rev. Code § 349.06(L) Maintain such funds or reserves as it considers necessary for the efficient performance of its duties; [↑](#endnote-ref-11)
12. If proper public purpose questions arise relative to levy and bond issues and campaigns, auditors should refer to the [Levy FAQs](https://ohioauditor.gov/publications/docs/Ohio_Auditor_of_State_Levy_FAQs_Aug_2023.pdf) on the AOS website, keeping in mind these may not address all levy-related concerns and additional correspondence with Legal may be required. (AOS should submit a consult through Spiceworks. IPAs should contact the [IPACorrespondence@ohioauditor.gov](mailto:IPACorrespondence@ohioauditor.gov) inbox.) [↑](#endnote-ref-12)
13. If the entity is required to re-file financial statements due to an incomplete filing, the filing date and accounting basis of the re-filed annual financial report will then become the basis for determining compliance with the filing requirements. Auditors should use professional judgement when determining whether to report an exception with timely filing if the public office or other entity required to file originally submitted timely but had to refile. Documentation of these comments should be included in the working papers. [↑](#endnote-ref-13)
14. Be sure to document in the working papers who you spoke with and when, including name, title, and date. [↑](#endnote-ref-14)
15. AOS Auditor should consult with both their CA and CFAE AUP Specialty if they identify potential fraud issues. [↑](#endnote-ref-15)