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

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

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

Facility Governing Board

[Name of] Community Based Correctional Facility

[Name of] County

[Address]

[City], Ohio [Zip Code]

We have performed the procedures enumerated below on the [Name of] Community Based Correctional Facility’s (the Facility) 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 Facility. The Facility 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 Facility.

The Facility’s Governing Board and the management of the Facility have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the Facility’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] [[6]](#endnote-6)***

1. We recalculated the June 30, 2024 and June 30, 2023 bank reconciliations. We found no exceptions.
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.

1. We agreed the 2024 and 2023 bank reconciliation [adjusted UAN Balances and Adjusted Bank Balances] as of June 30, 2024 and 2023 to the total fund cash balances reported in the [Fund Ledger Report]. The amounts agreed.
2. We confirmed the June 30, 2024 bankaccount balance(s) with [the Facility’s financial institution(s), Ohio Pooled Collateral System, Confirmation.com] ***<<<modify as needed]***. [We found no exceptions.] ***OR*** [We observed the year-end bank balance(s) on the financial institution’s website. The balance(s) agreed.] We also agreed the confirmed balances to the amounts appearing in the June 30, 2024 bank reconciliation without exception.
3. We selected 5 reconciling debits (such as outstanding checks) from the June 30, 2024 bank reconciliation: ***[Delete this procedure if there were no reconciling debits]***
	1. We traced each debit to the subsequent July and August ***[List only the months they cleared]*** [bank statement(s)] ***OR***[financial institutions website transaction listing]. We found no exceptions.
	2. We traced the amounts and dates to the check register and determined the debits were dated prior to June 30. We found no exceptions.
4. We selected 5 reconciling credits (such as deposits in transit) from the June 30, 2024 bank reconciliation: ***[Delete this procedure if there were no reconciling credits]***
	1. We traced each credit to the subsequent July or August ***[List only the months they cleared]*** [bank statement(s)] ***OR***[financial institutions website transaction listing]. We found no exceptions.
	2. We agreed the credit amounts to the [Receipts Register] and determined they were dated prior to June 30. We found no exceptions.
5. 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.]***
6. We traced interbank account transfers occurring in June of 2024 and 2023 to the accounting records and [bank statements] ***OR*** [reconciliation] to determine if they were properly recorded***[[9]](#endnote-9)***. We found no exceptions. ***[If there is only one bank account, or if no transfers were noted near year-end, delete this procedure.]***

***For applicability of Receipt Testing sections below see guidance in footnotes 4 and 11 and the AUP Additional Guidance Document***

**Intergovernmental and Other Confirmable Cash Receipts**

***[Modify these procedures as appropriate.]***

1. We selected a total of 5 receipts from the State Distribution Transaction Lists (DTL) and County Auditor DTLs ***[<<<insert exact report name]*** from fiscal year 2024 and 5 from fiscal year 2023. ***[Modify this procedure as appropriate. For example if no County DTL receipts, delete that report.]***
	1. We compared the amount from the above 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). We found no exceptions.
	3. We inspected the [Receipt Register Report] to determine the receipts were recorded in the proper year. We found no exceptions.
2. ***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***[[10]](#endnote-10)*** Community Improvement Corporation] to the Facility during [fiscal year 2023] with the [XXX] Municipality. We found no exceptions.
	1. We inspected the [Receipt Register Report] to confirm whether these receipts were allocated to the proper fund(s). We found no exceptions.
	2. We inspected the [Receipt Register Report] to confirm whether the receipts were recorded in the proper year. We found no exceptions.

**Other Receipts*****[[11]](#endnote-11)***

We selected 10 other receipts from the 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.]

**Commissary and Inmate Trust Funds*[[12]](#endnote-12)***

1. We inquired of management and inspected the [Fund Status Report] to determine if the Commissary was established by the Facility and if it was maintained within a separate fund. We found that a separate Commissary fund was maintained. We found no exceptions. ***[ORC 307.93 F (2)]***
2. We inspected the accounting ledgers for the Commissary fund for evidence that individual inmate accounts were established. Separate inmate accounts were maintained. We found no exceptions.
3. We selected 10 Commissary and Inmate Trust Fund over-the-counter cash receipts from the fiscal year ended June 30, 2024 and 10 Commissary and Inmate Trust Fund over-the-counter cash receipts from the fiscal year ended June 30, 2023 recorded in the duplicate cash receipts book and determined whether the:
	1. Receipt amount agreed to the amount recorded in the [Receipt Register Report]. The amounts agreed.
	2. Receipt was posted to the proper fund(s), was recorded in the proper year, and was posted to the proper inmate account. We found no exceptions.
4. We selected 10 Commissary and Inmate Trust Fund disbursements from the fiscal year ended June 30, 2024 and 10 Commissary and Inmate Trust Fund disbursements from the fiscal year ended June 30, 2023 recorded in the [Expenditure Report] and determined whether the:
	1. Disbursement amount agreed to the amount recorded on the order form completed by the inmate. The amounts agreed.
	2. Disbursement was posted to the proper fund(s), was recorded in the proper year, and was posted to the proper inmate account. We found no exceptions.
5. We inspected the October 2023 and October 2022 monthly statements that were prepared indicating the individual inmate commissary balance and any deposits or purchases that were made during that month. These monthly statements were prepared. We found no exceptions.

**Debt *[This AUP was written for Facilities that did not have debt. If your entity has debt, AOS Staff should submit a consult through the AUP Specialty in Spiceworks (IPAs should contact the*** ***IPAcorrespondence@ohioauditor.gov*** ***inbox) for the appropriate procedures to add.]***

1. The prior [audit] ***OR*** [agreed-upon procedures] documentation disclosed no debt outstanding as of June 30, 2022.
2. We inquired of management and inspected the [Receipt Register Report] and [Payment Register Detail Report] for evidence of debt issued during fiscal year end 2024 or 2023 or debt payment activity during fiscal years 2024 or 2023. We observed no new debt issuances, nor any debt payment activity during fiscal years 2024 or 2023.

**Payroll Cash Disbursements**

1. We selected 1 payroll check for 5 employees***[[13]](#endnote-13)*** from 2024 and 1 payroll check for 5 employees from 2023 from the [Wage Withholdings Detail Report] and:
	1. We compared the hours and pay rate, or salary recorded in the [Wage Detail Report] to supporting documentation (timecard, legislatively or statutorily-approved rate or salary).

[We found no exceptions.] ***OR*** [We found 1 instance where an employee was paid for 3 hours less than the hours recorded on her timecard. We brought this to management’s attention, and they added this amount to a subsequent payment to this employee. Because we did not compare all timecards, our report provides no assurance whether or not other similar errors occurred.]***[2024 OCS 2A-13]***

* 1. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions. ***[This procedure only applies to manual payroll systems. This procedure is n/a if the system is automated, such as UAN.]***
	2. We inspected the fund and account code(s) to which the check was posted to determine the posting was allowable based on the employees’ duties as documented in the [employees’ personnel files and/or minute record] ***[<<<list actual source]*** ***OR*** [as required by statute] ***[<<if set by statute]****.* We found no exceptions.
	3. We confirmed the payment was posted to the proper year. We found no exceptions.
1. ***[If the Facility did not have any new employees or new governing board members during the engagement period this step can be deleted. If the Facility had new employees and/or new governing board members in one year but not the other year, then modify the step accordingly.]*** We selected 3 new employees and Governing Board Members from 2024 and 3 new employees and Governing Board Members from 2023 and:
	1. We inspected the [employees’/Board Members’ personnel files and/or minute record] ***[<<<list actual source]*** for the Retirement system, Federal, State & Local income tax withholding authorization.
	2. We agreed the items in a above to the [Employee General Information Report] ***<<Standing data report]***. ***[Make sure taxes were withheld if a form was in their file. You do not have to recalculate the amount of federal, state, or local tax to withhold.]***

We found no exceptions. ***[2024 OCS 1-20]***

1. We inspected the last remittance of tax and retirement withholdings for the year ended June 30, 2024 to confirm remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer’s share where applicable, during the final***[[14]](#endnote-14)*** withholding period of fiscal year 2024. We observed the following:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Withholding****(plus employer share, where applicable)** | **Date****Due** | **Date****Paid** | **Amount Due*[[15]](#endnote-15)*** | **Amount****Paid** |
| Federal income taxes & Medicare(and social security, for employees not enrolled in pension system) | July 31, 2024 |  |  |  |
| State income taxes***[[16]](#endnote-16)*** | July 15, 2024 |  |  |  |
| Local income tax***[[17]](#endnote-17)***  | [insert date] |  |  |  |
| OPERS retirement  | July 31, 2024 |  |  |  |

***Revise the table above as needed.***

We found no exceptions.

***Example exception:*** [As stated above, as of the date of this report, the Entity has not paid OPERS the amount due as required by Ohio Rev. Code §§ 145.47 and 145.48 by July 31, 2024. The Auditor of State will notify OPERS of this matter.] ***[See OCS Implementation Guide Referring Audit Reports]***

1. ***[This procedure is only applicable for fiscal year 2022. Omit this procedure unless the government applied the provisions in the Families First Coronavirus Response Act, Coronavirus, Aid, Relief, Economic Security Act, Treasury IRS Guidance n-20-65 as modified by Treasury IRS Guidance n-21-11, or the American Rescue Plan Act of 2021.]*** For fiscal year 2022, we inspected the [appropriation ledger] and [meeting minutes] to determine the Facility properly credited the paid leave costs against the tax obligations and / or deferred the tax obligations to future periods. We found no exceptions. ***[2023 OCS 1-19]***

**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 year ended June 30, 2024 and 10 from the year ended June 30, 2023 and determined whether:
	1. The disbursements were for a proper public purpose. 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*** ***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 Facilities 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 Facility 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][[18]](#endnote-18)***

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

1. ***[[19]](#endnote-19)***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. ***[[20]](#endnote-20)***We obtained supporting evidence for the Related Party Transactions identified in procedure 1. We found no exceptions.

***[Insert the following paragraph if the Facility 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 Facility. We requested that the Facility provide such representations but the Facility’s Governing Board and/or [fiscal officer or clerk treasurer] refused to do so.

We were engaged by the Facility 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 Facility’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 Facility 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 inbox. This shell is written for a 2 year engagement, please modified as needed for single year AUP engagements. [↑](#endnote-ref-1)
2. AUP shell was prepared for compliance requirements applicable to Community Based Correctional Facilities formed under Ohio Rev. Code § 2301.51.

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-2)
3. Please read the document, [*AUP Additional Guidance*](http://www.ohioauditor.gov/references/agreeduponprocedures.html) for additional information. [↑](#endnote-ref-3)
4. See the AUP Additional Guidance document for applicability of testing receipts / disbursements. If the shell does not include procedures for a receipt / disbursement type, AOS staff should submit a consult through the AUP Specialty in Spiceworks (IPAs should contact the IPAcorrespondence@ohioauditor.gov inbox) for additional procedures***.*** [↑](#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 Facility uses a fiscal agent to process transactions, please replace the cash & investment section with the cash & Investment procedures in the Solid Waste District AUP shell. [↑](#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. Inter-account transfers should be recorded in the same accounting period on both bank statements; otherwise they should be appropriately reflected on both bank reconciliations. [↑](#endnote-ref-9)
10. 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-10)
11. Other Receipts includes all receipts not tested in the procedures included in this report (i.e. 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-11)
12. AOS Bulletin 1997-011 has further guidance on these funds. [↑](#endnote-ref-12)
13. This population consists of both full and part time employees, including elected officials. [↑](#endnote-ref-13)
14. If testing prior to the 4th quarter being due/paid, modify the description and test the 3rd quarter. [↑](#endnote-ref-14)
15. The amount due should equal the amount paid, unless you have an exception noted below the table. [↑](#endnote-ref-15)
16. This date assumes they remit State income taxes monthly. If your entity reports quarterly the due date should be changed to July 31. [↑](#endnote-ref-16)
17. Delete if no local income taxes. Insert additional rows if there is more than one applicable local income tax. [↑](#endnote-ref-17)
18. 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-18)
19. Be sure to document in the working papers who you spoke with and when, including name, title, and date. [↑](#endnote-ref-19)
20. AOS Auditor should consult with both their CA and CFAE AUP Specialty if they identify potential fraud issues. [↑](#endnote-ref-20)