***UAN ENTITIES: AWB AUP Export Spreadsheets are available for Villages, Townships, and Libraries. The AUP Export Spreadsheet can be used during planning and testing of the AUP and inserted into TeamMate for testing support. The AUP spreadsheet has tabs for Receipt Benchmarks and Disbursement Benchmarks as well as a tab for testing most of the procedures in the AUP Report Shell.***

***Note: You can obtain the spreadsheet in your most recent version of UAN by going to “AWB / Reports & Statements / AWB Work Papers Export”. When the Workpaper Option appears, make sure “AUP” is marked as well as the Number of Years of your AUP and the Ending Year.***

***Use for 2022-2023 or 2023 AUPs [[1]](#endnote-2)***

***(Village[[2]](#endnote-3) AUP – Per AT-C 105 & 215 & GAGAS, January 2024[[3]](#endnote-4)) [[4]](#endnote-5)*** ***[[5]](#endnote-6)***

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

Village of [Name of Village]

[Name of] County

[Address]

[City], Ohio [Zip Code]

We have performed the procedures enumerated below on the Village of [Name of Village]’s (the Village) receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2023 and 2022 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Village. The Village is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2023 and 2022 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Village.

The Village Council, Mayor and the management of the Village have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the Village’s receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2023 and 2022, 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.]*[[6]](#endnote-7) [<<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. We recalculated the December 31, 2023 and December 31, 2022 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2022 beginning fund balances for [each fund]***[[7]](#endnote-8)*** recorded in the [Fund Ledger Report]***[[8]](#endnote-9)*** to the December 31, 2021 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 January 1, 2023 beginning fund balances for each fund recorded in the [Fund Ledger Report] to the December 31, 2022 balances in the [Fund Ledger Report]. We found no exceptions.
3. We agreed the 2023 and 2022 bank reconciliation [adjusted UAN Balances and Adjusted Bank Balances] as of December 31, 2023 and 2022 to the total fund cash balances reported in the [Fund Status Report] and the financial statements filed by the Village in the Hinkle System. The amounts agreed.
4. We confirmed the December 31, 2023 bankaccount balance(s) with [the Village’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 December 31, 2023 bank reconciliation without exception.
5. We selected 5 reconciling debits (such as outstanding checks) from the December 31, 2023 bank reconciliation: ***[Delete this procedure if there were no reconciling debits]***
   1. We traced each debit to the subsequent January and February ***[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 December 31. We found no exceptions.
6. We selected 5 reconciling credits (such as deposits in transit) from the December 31, 2023 bank reconciliation: ***[Delete this procedure if there were no reconciling credits]***
   1. We traced each credit to the subsequent January or February ***[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 December 31. We found no exceptions.
7. 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.]***
8. We traced interbank account transfers occurring in December of 2023 and 2022 to the accounting records and [bank statements] ***OR*** [reconciliation]***[[9]](#endnote-10)*** to determine if they were properly recorded. We found no exceptions. ***[If there is only one bank account, or if no transfers were noted near year-end, delete this procedure.]***

1. We inspected investments held at December 31, 2023 and December 31, 2022 to determine that they: ***[Delete procedure if no investments (or CDs)]***
   1. Were of a type authorized by Ohio Rev. Code §§ 135.13, 135.14, 135.144 or 135.145. We foundno exceptions.
   2. Mature within the prescribed time limits noted in Ohio Rev. Code § 135.13 or 135.14. We found no exceptions**. *[2024 OCS 2A-14 & 2A-16]***

***For applicability of Receipt Testing sections below see guidance in footnotes 5 and 13 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 Listing (DTL), and the County Auditor DLTs ***[<<<insert exact report name]*** for 2023 and a total of 5 from 2022: ***[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. ***[2024 OCS 1 – 5]***
   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 2023 and 2022. 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 procedure 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-11)*** Community Improvement Corporation] to the Village during [2022] 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.

**Income Tax Receipts *[If applicable]***

***[NOTE: If the Village uses a service organization to collect their income taxes, use procedures #1 -3 below. If the Village does not use a service organization to collect their income taxes, use procedures #3 - 5 below.]***

1. We obtained the December 31, 2023 and 2022 [Total Distributions]***[[11]](#endnote-12) [insert exact report name]*** reports submitted by the [Regional Income Tax Agency (RITA)] ***[replace with applicable third party administrator name]***, the agency responsible for collecting income taxes on behalf of the Village. We agreed the total gross income taxes per year to the Village’s [Receipt Register Report]. The amounts agreed. ***[If there is no yearly total report, it is acceptable to select two months for each year to test. Modify the procedure accordingly.]***
2. We obtained the original income tax ordinance which set the rate and effective period. The original ordinance was dated [XX/XX/XX] <<**<Insert date]**.  [We determined there were no additional (council or voter) approved amendments to the original ordinance.] ***OR***  [The latest (council or voter) approved amendment for the engagement period was dated [XX/XX/XX] <<**<Insert date]**.] We agreed the most recent approved rate to the rate on [RITA’s] supporting documentation. We found no exceptions.
3. We compared the allocation of income tax receipts for the years ended December 31, 2023 and 2022 to the Village’s funds according to the allocation requirements of Ordinance No. [XXXX]. The allocation agreed with the percentages the Ordinance requires. ***[Include this procedure only if there is a requirement to allocate income taxes to more than one fund.]***
4. We selected 5 income tax returns filed during 2023 and 5 from 2022.
5. We compared the payment amount recorded on the tax return to the amount recorded on the [cash register tape] ***[<<Revise as needed to describe source for that date]***. The amounts agreed.
6. We compared the cash register tape total from procedure a. to the amount recorded as income tax receipts in the [Receipt Register Report] for that date. The amounts agreed.
7. We compared the date of the receipts to the date the receipts was posted in the [Receipt Register Report] to determine whether the receipts were recorded in the year received. We found no exceptions.
8. We obtained the original income tax ordinance which set the rate and effective period. The original ordinance was dated [XX/XX/XX] <<**<Insert date]**.  [We determined there were no additional (council or voter) approved amendments to the original ordinance.] ***OR***  [The latest (council or voter) approved amendment for the engagement period was dated [XX/XX/XX] <<**<Insert date]**.] We agreed the most recent approved rate to the rate used on the income tax return. We found no exceptions.
9. We selected 5 income tax refunds from 2023 and 5 from 2022.
   1. We compared the refund paid from [Payment Register Detail Report] to the refund amount requested in the tax return. The amounts agreed.
   2. We observed the approval by [Title of employee approving the refunds] on each of the refunds. We found no exceptions.
   3. We observed the refunds were paid from the [Income Tax Fund], ***[<<revise fund name as needed]*** as is required.

**Emergency Medical Service Receipts*[[12]](#endnote-13)***

1. ***If a service organization was NOT used, pull in and complete steps 1-4 from the Charge for Services Procedures in the Fire, Police, EMS, or Ambulance District AUP Report Shell.***
2. ***If a service organization was utilized, pull in and complete steps 5 and 6 from the Charge for Services Procedures in the Fire, Police, EMS, or Ambulance District AUP Report Shell.***

***Other Receipts******[[13]](#endnote-14)***

***[Note: If an EMS receipt is selected as part of your AWB population for testing but EMS was tested separately above, remove and replace with a non-EMS receipt. If EMS Receipts are selected and the note above does not apply and a service organization was utilized for EMS activity, replace step a-c below with steps 5*** ***and 6 from the Charge for Services Procedures in the Fire, Police, EMS, or Ambulance District AUP Report Shell for the EMS receipt(s).]***

We selected 10 other receipts from the year ended December 31, 2023 and 10 other receipts from the year ended 2022 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 [xxxx] 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.]

***[Omit this procedure if the Village did not have utility charges for services.]***

**[Water and Sewer Fund] *[<< use correct fund names of Charges for Services]***

***[Note:  This section applies when services are provided prior to payment, such as virtually all water and sewer services.  The entity should have an A/R system to keep track of unpaid amounts.  If they do not have an A/R system, we should include a comment.  The following is an example you should modify as needed: “The Village provides water and sewer utilities to its customers.  The Village does not have an accounts receivable system.  Without accounts receivable information, the Village lacks reliable information on overdue amounts, systems-derived documentation on noncash adjustments and approval of noncash adjustments, and information upon which to judge whether the Village should write off or follow up on uncollectible amounts.”]***

***[Note: If the Village uses a service organization to collect their water/sewer receipts, 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 revised procedures.]***

1. We selected 10 [Water and Sewer Fund] collection cash receipts from the year ended December 31, 2023 and 10 [Water and Sewer Fund] collection cash receipts from the year ended 2022 recorded in the [Receipt Register Report] and determined whether the:
   1. Receipt amount per the [Receipt Register Report] agreed to the amount recorded to the credit of the customer’s account in the [Name of A/R report]. The amounts agreed.
   2. Amount charged for the related billing period:
      1. Agreed with the debit to accounts receivable in the [Name of A/R report]for the billing period. We found no exceptions.
      2. Complied with rates in force during the engagement period [multiplied by the consumption amount recorded for the billing period, plus any applicable late penalties, plus unpaid prior billings]. ***[<<Delete bracketed wording if amount charged is not based on consumption, such as a flat rate. Delete wording about applicable late penalties and/or unpaid prior billings, if none were noted.]***  We found no exceptions.
   3. Receipt was posted to the proper fund(s) and was recorded in the year received. We found no exceptions.
2. We observed the [Name of A/R report].
   1. This report listed $BBBB and $AAAA of accounts receivable as of December 31, 2023 and 2022, respectively.
   2. Of the total receivables reported in the preceding procedure, $DDD and $EEE were recorded as more than 90 days delinquent.
3. We observed the [name of non-cash A/R adjustments report].
   1. This report listed a total of $ZZZZ and $YYYY non-cash receipts adjustments for the years ended December 31, 2023 and 2022, respectively.
   2. We selected 5 non-cash adjustments from 2023 and 5 non-cash adjustments from 2022, and observed that the [President of the Board of Public Affairs] ***[<<Revise as needed]*** approved each adjustment *[except for…..]*.

**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).]***

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 December 31, 2021.
   1. These amounts agreed to the Village’s January 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 Village 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 Village 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 Village was in compliance with the debt covenants listed below] ***OR*** [the Village was in compliance with the listed covenants with the exception of [list the covenant violations].

|  |  |  |
| --- | --- | --- |
| **Issue** | **Principal outstanding as**  **of December 31, 2021:** | **Debt Covenant *[Delete this Column if the Village does not have any Debt Covenants]*** |
| OPWC Cap Project Loan |  | [Indicate the covenant/(s) considered and their placement within the source documentation] |
| 2018 Building Improvement Bonds |  | [Not applicable] |

***OR:*** [The prior [audit] ***OR*** [agreed-upon procedures] documentation disclosed no debt outstanding as of December 31, 2021.]

1. We inquired of management and inspected the [Receipt Register Report] and [Payment Register Detail Report] for evidence of debt issued during 2023 or 2022 or debt payment activity during 2023 or 2022. [All debt agreed to the summary we used in procedure 3.] ***OR***[There were no new debt issuances, nor any debt payment activity during 2023 or 2022.]***[Modify the above as needed.]***
2. We obtained a summary of [bonds, notes, loans, and leases] ***[<<modify as needed]*** debt activity for 2023 and 2022 and agreed principal and interest payments from the related debt amortization schedule(s) to debt service fund***[[14]](#endnote-15)*** payments reported in the [Payment Register Detail Report]. We also compared the date the debt service payments were due to the date the Village made the payments. We found no exceptions.
3. We agreed the amount of debt proceeds received for [2023 and 2022] from the debt documents to amounts recorded in the [XYZ] fund per the [Receipt Register Report]. The amounts agreed. ***AND*** [The Village properly recorded the proceeds in a bond fund (i.e. capital projects fund) as required by Ohio Rev. Code § 5705.09(E)] ***[<<Only applies to bonds, and only applies if there were new bonds issued.] [2024 OCS 1 – 10]***
4. For new debt issued during 2023 and 2022, we inspected the [debt legislation and resolution / ordinance], which stated the Village must use the proceeds to [purchase a fire truck]. We inspected the [Payment Register Detail Report] and observed the Village [purchased a fire truck] in [May of 20XX]. 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 December 31, 2023.]*  *[2024 OCS 1 – 10]***

**Payroll Cash Disbursements**

1. We selected 1 payroll check for 5 employees***[[15]](#endnote-16)*** from 2023 and 1 payroll check for 5 employees from 2022 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]***
   2. 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.]*** We found no exceptions.
   3. 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.
   4. We confirmed the payment was posted to the proper year. We found no exceptions.
2. ***[If the Village did not have any new employees or new council members during the engagement period this step can be deleted. If the Village had new employees and/or new council members in one year but not the other year, then modify the step accordingly.]*** We selected 3 new employees and Council Members from 2023 and 3 new employees and Council Members from 2022 and:
   1. We inspected the [employees’/Council 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 December 31, 2023 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***[[16]](#endnote-17)*** withholding period during 2023. We observed the following:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Withholding**  **(plus employer share, where applicable)** | **Date**  **Due** | **Date**  **Paid** | **Amount**  **Due*[[17]](#endnote-18)*** | **Amount**  **Paid** |
| Federal income taxes & Medicare  (and social security, for employees not enrolled in pension system) | January 31, 2024 |  |  |  |
| State income taxes***[[18]](#endnote-19)*** | January 15, 2024 |  |  |  |
| Village of [X] income tax***[[19]](#endnote-20)*** | [insert date] |  |  |  |
| OPERS retirement | January 30, 2024 |  |  |  |
| OP&F retirement ***[[20]](#endnote-21)*** | January 31, 2024 |  |  |  |

***Revise the table above as needed, for example to omit OP&F if inapplicable.***

We found no exceptions.

***Example exception:***[As stated above, as of the date of this report, the Village has not paid OPERS the amount due as required by Ohio Rev. Code §§ 145.47 and 145.48 by January 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 Village 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 2023. We found no exceptions.***[Perform only if this is a manual system. Select one program from 2 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 December 31, 2023 and 10 from the year ended 2022 and determined whether:
   1. The disbursements were for a proper public purpose***[[21]](#endnote-22)***. 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.
   4. The [fiscal officer or clerk treasurer]***[[22]](#endnote-23)*** certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code § 5705.41(D). [We found no exceptions.] ***OR:*** [We found 3 instances where disbursements requiring certification were not certified and 4 instances where the certification date was after the vendor invoice date, and there was also no evidence that a *Then and Now Certificate* was issued. Ohio Rev. Code § 5705.41(D) requires certifying at the time of a commitment, which should be on or before the invoice date, unless a *Then and Now Certificate* is used. Because we did not inspect all disbursements requiring certification, our report provides no assurance whether or not additional similar errors occurred.] ***[The certification requirement does not apply to all disbursements. For example, payroll (including related benefits and taxes) does not require certification. Utility fund disbursements do not require certification. See 2024 OCS 1 - 2.]***

**Mayor’s Court Transactions [and Cash Balances] *[include “and cash balances” and procedures 1 – 5 below if the mayor’s court uses a separate cash account]***

1. We recalculated the December 31, 2023 and December 31, 2022 bank reconciliations. We found no exceptions.
2. We compared the reconciled cash totals as of December 31, 2023 and December 31, 2022 to the Mayor’s Court Fund balance reported in the [Fund Status Reports]. The balances agreed.
3. We agreed the totals per the bank reconciliations to the total of December 31, 2023 and 2022 listing of unpaid distributions [plus bonds held] ***[<< if any]*** as of each December 31. The amounts agreed.
4. We confirmed the December 31, 2023 bankaccount balance(s) with [the Mayor’s Court financial institution, 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 balances agreed.] We also agreed the confirmed balances to the amounts appearing in the December 31, 2023 bank reconciliation without exception.
5. We selected 5 deposits in transit from the December 31, 2023 bank reconciliation:
   1. We traced each deposit to the credit appearing in the subsequent January and February ***[List only the months they cleared]*** [bank statement(s)] ***OR***[financial institutions website transaction listing]. We found no exceptions.
   2. We agreed these deposits’ amounts to the court’s cash book. Each deposit in transit was recorded as a December receipt for the same amount recorded in the reconciliation.
6. We selected 5 cases from the court cash book and agreed the payee and amount posted to the:
   1. Duplicate receipt book.
   2. Docket, including comparing the total fine paid to the judgment issued by the judge (i.e. mayor)
   3. Case file.

The amounts recorded in the cash book, receipts book, docket and case file agreed [, except 1 instance representing a partial payment of a judgment, which is not an exception].

1. From the cash book, we selected 1 month from the year ended December 31, 2023 and 1 month from the year ended 2022 and determined whether:
   1. The monthly sum of fines and costs collected for those months agreed to the amounts reported as remitted to the Village, State, or other applicable government in the following month. We found no exceptions.
   2. The totals remitted for these 2 months per the cash book agreed to the returned canceled checks. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the cash book.

**Compliance – Budgetary**

1. Ohio Rev. Code § 5705.41(B) prohibits expenditures (disbursements plus certified commitments including outstanding encumbrances) from exceeding appropriations. We compared total expenditures to total approved appropriations***[[23]](#endnote-24)*** (Ohio Rev. Code §§ 5705.38 and 5705.40) plus any carryover appropriations for the years ended December 31, 2023 and 2022 [for the General, X and Y fund] ***[<<omit if they do not use multiple funds]*** as recorded in the [Appropriation Status Report]. [Expenditures did not exceed appropriations.] ***OR*** [[Y Fund] ***[<<omit if they do not use multiple funds]*** expenditures for [2023] exceeded total appropriations by $XXXX, contrary to Ohio Rev. Code § 5705.41(B).] ***[2024 OCS 2A-2]***
2. ***[[24]](#endnote-25)***We inspected [the 5 largest] interfund transfers from 2023 and [the 5 largest] from 2022 [Revenue Status Reports] and [Appropriation Status Reports] for compliance with Ohio Rev. Code §§ 5705.14 - .16. [We found no evidence of transfers these Sections prohibit, or for which Section 5705.16 would require approval by the Tax Commissioner.] ***OR*** [[The Village transferred $XXXXfrom the [Debt Service] Fund to the [General] Fund. Ohio Rev. Code § 5705.16 does not permit this transfer without approval of the Tax Commissioner. The Village did not obtain this approval. We therefore requested management to adjust this amount to the [Debt Service] Fund. [The Village provided documentation the [fiscal officer or clerk treasurer] adjusted this amount on [Date].]***OR*** [As of the date of this report, management has not yet made the required adjustment back to the [Debt Service] Fund and has declined to obtain the aforementioned required approvals. In accordance with the foregoing facts, we hereby issue a finding for adjustment against the [General] Fund in favor of the [Debt Service] Fund in the amount of $*XXXX*.]]  ***[<<IPA cannot use this language. (See IPA FFA guidance in OCS Implementation Guide) Therefore IPAs should omit the last sentence.]* *[2024 OCS 1 – 6]***
3. We inspected the [Cash Summary by Fund Report] for the years ended December 31, 2023 and 2022 for negative cash fund***[[25]](#endnote-26)*** balance. Ohio Rev. Code § 5705.10(l) provides that money paid into a fund must be used for the purposes for which such fund is established. As a result, a negative fund cash balance indicates that money from one fund was used to cover the expenses of another. There were no funds having negative cash fund balances. ***[2024 OCS 1-5]***

**Compliance – American Municipal Power Joint Venture Debt Covenant Requirements*[[26]](#endnote-27)* *[Insert the applicable procedure(s) below if the Village is a member of AMP OMEGA JV 2, 5, 6, and / or has BANs outstanding through the AMP Financing Program:]***

1. The Village is a member of Ohio Municipal Electric Generation Agency Joint Venture 2 (OMEGA JV2). Appendix M, Section 11(A) of the Joint Venture Agreement requires the Village’s Electric Utility receipts, as defined, to be at least 110% of its OMEGA JV2 operating & maintenance plus debt service charges, as defined.

Using information from the Village’s unadjusted receipts and disbursements ledger, we calculated the cash basis debt coverage including other available funds (as defined) for its OMEGA JV2 for the years ended December 31, 2023 and 2022.

For the year ended December 31, 2023, the ratio of the Village’s Electric Utility receipts to OMEGA JV2 debt service disbursements was [X.XX], [meeting/not meeting] the Village’s debt covenant obligation of 1.10 times set forth in Appendix M, Section 11(A) of the Joint Venture Agreement.

For the year ended December 31, 2022, this ratio was [Z.ZZ], thus [meeting/not meeting] the Village’s debt covenant obligation.

Exhibit JV2 presents the supporting calculations.

1. The Village is a member of Ohio Municipal Electric Generation Agency Joint Venture 5 (OMEGA JV5). Section 17(A) of the Joint Venture Agreement requires the Village’s Electric Utility receipts, as defined, to be at least 110% of its OMEGA JV5 operating & maintenance plus debt service charges, as defined.

Using information from the Village’s unadjusted receipts and disbursements ledger, we calculated the cash basis debt coverage for its OMEGA JV5 for the years ended December 31, 2023 and 2022.

For the year ended December 31, 2023, the ratio of the Village’s Electric Utility receipts to OMEGA JV5 debt service disbursements was [X.XX], [meeting/not meeting] the Village’s debt covenant obligation of 1.10 times set forth in Section 17(A) of the Joint Venture Agreement.

For the year ended December 31, 2022, this ratio was [Z.ZZ], thus [meeting/not meeting] the Village’s debt covenant obligation.

Exhibit JV5 presents the supporting calculations.

1. The Village is a member of Ohio Municipal Electric Generation Agency Joint Venture 6 (OMEGA JV6). Section 17(J) of the Joint Venture Agreement requires the Village’s Electric Utility receipts, as defined, to be at least 110% of its OMEGA JV5 operating & maintenance plus debt service charges, as defined.

Using information from the Village’s unadjusted receipts and disbursements ledger, we calculated the cash basis debt coverage including other available funds (as defined) for its OMEGA JV5 for the years ended December 31, 2023 and 2022.

For the year ended December 31, 2023, the ratio of the Village’s Electric Utility receipts to OMEGA JV6 debt service disbursements was [X.XX], [meeting/not meeting] the Village’s debt covenant obligation of 1.10 times set forth in Section 17(J) of the Joint Venture Agreement.

For the year ended December 31, 2022, this ratio was [Z.ZZ], thus [meeting/not meeting] the Village’s debt covenant obligation.

Exhibit JV6 presents the supporting calculations.

1. The Village has an outstanding Bond Anticipation Note (BAN) issued through the American Municipal Power (AMP) On Behalf of Financing Program. Section IV(F) 4 and 5 of the Loan Agreement with AMP require: ***[<<Exclude the entire procedure if no BAN exists or the BAN was retired in the years reviewed. If paid off and a JV participant, (1) exclude the payoff from the JV debt coverage calculation and (2) exclude it from the “BAN calculation” for the BAN for the year in which it is retired (so as not to penalize them for paying off debt).]***

a. The Village will set and maintain rates and power clause cost adjustment factors, and will regulate expenses, for its Electric System such that for each year the excess of revenues over operating and maintenance expenses is at least 110% of principal and interest cost on all of its debt (including the debt evidenced by this Agreement) relating to its Electric System. ***[<<Eliminate a if it does not apply.]***

b. The Village agrees to maintain at all times, cash in its Electric Operating Fund of at least [XXX] previous year’s electric system operating and maintenance expenses minus the cost of generation plus purchased power. If the Village falls below this amount, it must restore the required amount by each December 31. The Village must recover all purchased power expenses either through base rates or its Purchased Power Cost Adjustment. ***[<< Eliminate b if it does not apply.]***

***[Insert only if applicable per the agreement>>>]*** For the years ended December 31, 2023 and 2022, with respect to Section IV(F) 4 of the loan agreement the ratios were [X.XX] and [Z.ZZ] respectively. Therefore, the Village [has/has not] met its 110% debt covenant.

***[Insert only if applicable per the agreement>>>]*** With respect to Section IV(F) 5 of the loan agreement, as of December 31, 2023, the cash balance in the Electric Operating Fund was [X.XX], thus [meeting/not meeting] its operating and maintenance expenses, minus the cost of generation, plus purchased power requirement).

As of December 31, 2022, the cash balance in the Electric Operating Fund was [X.XX], thus [meeting/not meeting] this same requirement.

Exhibit BAN presents the supporting calculations. ***[<< Complete and attach the Excel sheet titled AMP BAN OM Exp Cash Reserve Requirement for AUP.]***

**Sunshine Law Compliance *[2024 OCS 2B-8][[27]](#endnote-28)***

1. We obtained and inspected the Village’s Public Records Policy to determine the policy was in accordance with Ohio Rev. Code §§ 149.43(E)(2) and 149.43(B)(7)(c) and did not limit the number of responses that may be made to a particular person, limit the number of responses during a specified period of time, or establish a fixed period of time before it will respond unless that period is less than eight hours. [We found no exceptions.]

***OR***

***[Include if the entity did not have a Public Records policy.]*** [We inquired with Village management and determined that the Village did not have a public records policy during the engagement period as required by Ohio Rev. Code § 149.43(E)(2).]

1. ***[[28]](#endnote-29)***We selected 5 ***[or total population if less than 5]*** public records requests from the engagement period and inspected each request to determine the following:
   1. The Village was compliant and responded to the request in accordance with their adopted policy as required by Ohio Rev. Code § 149.43(B)(1). [We found no exceptions.]  **OR** [For 3 of the 5 public records requests selected, the Village did not respond to the request in accordance with their adopted policy. See the table below.

|  |  |  |  |
| --- | --- | --- | --- |
| **Date Request Received** | **Date Request Fulfilled** | **Policy Response Time (in Business days)** | **Actual Response Time (in Business days)** |
| 6/15/2023 | 6/22/2023 | 3 | 6 |
| 8/2/2023 | 8/15/2023 | 3 | 9 |
| 11/13/2023 | 11/20/2023 | 3 | 5 |

***OR***

***[Include if the entity did not have any completed public records requests.]*** [We inquired with Village management and determined that the Village did not have any completed public records requests during the engagement period.]

* 1. ***[Include if a request was denied, in part or in whole.]*** The Village provided an explanation for the denied request which included the legal authority to the requester as required by Ohio Rev. Code § 149.43(B)(3). [We found no exceptions.]

***OR***

***[Include if the entity did not have any denied public records requests.]*** [The Village did not have any denied public records requests during the engagement period.]

* 1. ***[Include if a request contained redactions, in part or in whole.]*** The Village was redacting records and making the redactions visible and provided an explanation which included the legal authority to the requester as required by Ohio Rev. Code § 149.43(B)(1). [We found no exceptions.]

***OR***

***[Include if the entity did not have any public records requests with redactions.]*** [The Village did not have any public records requests with redactions during the engagement period.]

3. We inquired whether the Village had a records retention schedule and observed that it was readily available to the public as required by Ohio Rev. Code § 149.43(B)(2). [We found no exceptions.]

***OR***

***[Include if the entity did not have a records retention policy.]*** [We inquired with Village management and determined that the Village did not have a records retention schedule during the engagement period and therefore could not make it readily available to the public as required by Ohio Rev. Code § 149.43(B)(2).]

4. We inspected written evidence that the Public Records Policy was provided to the records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2). [We found no exceptions.]

***OR***

***[Include if the entity did not have a Public Records policy.]*** [We inquired with Village management and determined that the Village did not have a public records policy during the engagement period therefore could not provide it to the records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2).]

5. We inspected the Village’s policy manual and determined the public records policy was included as required by Ohio Rev. Code § 149.43(E)(2). [We found no exceptions.]

***OR***

***[Include if the entity did not have a Public Records policy.]*** [We inquired with Village management and determined that the Village did not have a public records policy during the engagement period therefore it could not be included in a policy manual as required by Ohio Rev. Code § 149.43(E)(2).]

***OR***

***[Include if the entity did not have a policy manual.]*** [We inquired with Village management and determined that the Village did not have a policy manual during the engagement period therefore the public records policy could not be included as required by Ohio Rev. Code § 149.43(E)(2).]

6. We observed that the Village’s poster describing their Public Records Policy was displayed conspicuously in all branches of the Village as required by Ohio Rev. Code § 149.43(E)(2). [We found no exceptions.]

***OR***

***[Include if the entity did not have a Public Records policy.]*** [We inquired with Village management and determined that the Village did not have a public records policy during the engagement period therefore it could not be displayed in all the branches of the Village as required by Ohio Rev. Code § 149.43(E)(2).]

7. ***[Include if the entity has records authority. (Please review the OCS Legal Matrix, OCS 2B-8 Step 7 Applicability tab. “No Records Authority” indicates this step is not applicable.)]*** We selected 5 ***[or total population if less than 5]*** applications submitted to the Records Commission for one-time disposal of obsolete records, and management’s review of the schedules of records retention and dispositions for the engagement period. We inspected the approval by the Records Commission for the 5 selected and the review of the schedules. This was required by Ohio Rev. Code §[***[[29]](#endnote-30)***]. [We found no exceptions.] ***<<< Note: the records retention schedule is not the same policy as the public records policy.]***

***OR***

***[Include if the entity did not have any applications submitted to the Records Commission but has Records Authority per OCS Legal Matrix, OCS 2B-8 Step 7 Applicability tab.]*** [We inquired with Village management and determined that the Village did not have any applications for record disposal submitted to the Records Commission during the engagement period.]

***OR***

***[Include if the entity has “No Records Authority” per OCS Legal Matrix, OCS 2B-8 Step 7 Applicability tab and this step is not applicable.]*** [We did not select any applications submitted to the Records Commission for one-time disposal of obsolete records, and management’s review of the schedules of records retention and dispositions for the engagement period. The Village is not subject to the Ohio Rev. Code records authority. Therefore this step is not applicable and applications were not inspected or inquired about.]

8. We inspected [individual proof of attendance***[[30]](#endnote-31)***] and determined whether each elected official**[[31]](#endnote-32)** in accordance with Ohio Rev. Code § 149.43(E)(1) (or his/her designee) successfully attended a certified three-hour Public Records Training for each term of office as required by Ohio Rev. Code § 109.43(B). [We found no exceptions.]

***OR***

***[Include if the entity did not have any elected officials subject to the training requirement.]*** [We inquired with Village management and determined that the Village did not have any elected officials subject to the Public Records Training requirements during the engagement period as required by Ohio Rev. Code §§ 149.43(E)(1) and 109.43(B).]

9. We inspected the public notices for the public meetings held during the engagement period and determined the Village notified the general public and news media of when and where meetings during the engagement period were to be held as required by Ohio Rev. Code § 121.22(F). [We found no exceptions.]

10. We inspected the minutes of public meetings during the engagement period in accordance with Ohio Rev. Code § 121.22(C) and determined whether they were:

a. Prepared – a file is created following the date of the meeting

b. Filed – placed with similar documents in an organized manner

c. Maintained - retained, at a minimum, for the engagement period

d. Open to public inspection – available for public viewing or request.

[We found no exceptions.]

11. We inspected the minutes from the engagement period in accordance with Ohio Rev. Code § 121.22(G) and determined the following:

1. Executive sessions were only held at regular or special meetings.
2. The purpose for the meetings and going into an executive session (when applicable) correlated with one of the matters listed in Ohio Rev. Code § 121.22(G).
3. Formal governing board actions were adopted in open meetings.

[We found no exceptions.]

**HB 481 / HB 614 Coronavirus Relief Fund (CRF) Compliance*[[32]](#endnote-33)* *[This procedure is only applicable for fiscal year 2022. This step is mandatory for local governments that meet the criteria in endnote*** ***[[33]](#endnote-34). If the entity did not meet the criteria in endnote 33 delete this section***.***] [2023 OCS 2B-9]***

1. For fiscal year 2022, we inquired of management and those charged with governance and documented how the Village decided to spend their CRF allocations and how the Village documented their compliance with the CARES Act three-prong test. We then selected five transactions ***[or all if less than 5 transactions were made]*** including payroll, non-payroll, and subgrant/subloan transactions. and determined the Village: ***[[34]](#endnote-35)***
   1. Spent the CRF money (including additional distributions or redistributions) in accordance with use of funds requirements ***[i.e. Cares Act three-prong test and in accordance with those charged with governance documented use]*** and
   2. Maintained appropriate supporting documentation.

[We found no exceptions.] ***OR*** [Four out of five (80%)] ***[modify as needed]*** of the expenditures selected, totaling [$XXX], were not in accordance with the use of funds requirements. ***OR*** [Three out of five (60%)] ***[modify as needed]*** of the expenditures selected, totaling [$XXX], did not have appropriate supporting documentation that the expenditure was in accordance with the use of funds requirement.

***[AOS strongly encourages auditees to document decisions by action taken by the legislative body. Be sure to refer to 2023 OCS 2B-9 summary section and the linked file for relevant US Treasury, OBM, and AOS guidance, especially Frequently Asked Questions, as these determinations can be complex, especially since US Treasury continually amended its guidance during the program period. Auditors may consider guidance documents in effect at the time of the activity or transaction. Auditors should also keep in mind that the compliance requirements for payroll, for example, will include additional provisions such as “substantially dedicated” are not applicable to non-payroll transactions. These differences add to the complexity of compliance evaluations. See also endnote 34.]***

**Contract Compliance: [OCS 2024 2A-3 & 2A-4] [If the Village did not have any contracts subject to competitive bidding,*[[35]](#endnote-36)* delete this section]**

1. We inspected the [Minutes/Appropriation Ledger] **<<Include exact support viewed]** and identified the Village had expenditures subject to competitive bidding. We found no exceptions.
2. We selected 1 contract subject to competitive bidding requirements***[[36]](#endnote-37)*** for 2023 and 1 for 2022 and
   1. We inspected the contract and other bids for the contracted expenditure and determined:
      1. The Village accepted the lowest bid and met the requirements of Ohio Rev. Code § 735.05***[[37]](#endnote-38)*** ***OR*** 731.141 ***<<<include for Villages with Village Administrator making contracts and purchases]***.
      2. No bid splitting occurred.
      3. No deliberate attempts to evade bid limitations occurred, such as successive contracts just under the bid amount, occurred.
      4. No apparent interest in the contract by a public official occurred.

We found no exceptions.

* 1. We inspected the advertisements of the proposals for bids [on/in] the [newspaper, Village website and trade post] and determined they were made as required by Ohio Rev. Code §[§] [731.14]***[[38]](#endnote-39) OR*** [731.141***]<<include for Village's with Village Administrator making contracts and purchases*** [and 7.16].***[[39]](#endnote-40)***  We found no exceptions.

1. **[If there were no modifications to the contract, delete this step]**

We inspect the modified contract documents for the contracts in procedure 1 and determined it contained:

1. Signatures of the contractor
2. Signatures of the appropriate officials including [the legislative officers of a village, the village administrator, or the director of public service]. **<<include the title of the Village official(s)]**

We found no exceptions.

**Other Compliance**

1. Ohio Rev. Code § 117.38 requires villages 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 Village 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 December 31, 2023 and 2022 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][[40]](#endnote-41)***

1. We [inquired of the [fiscal officer or clerk treasurer]] ***and/or*** [inspected the Fiscal Integrity Act Portal (<http://www.ohioauditor.gov/fiscalintegrity/default.html>)] to determine whether the [fiscal officer or clerk treasurer] obtained the training required by Ohio Rev. Code §§ 507.12 and 733.81.  ***[2024 OCS 2B-6]*** [Fiscal Officer or Clerk Treasurer] obtained the required training.]***OR*** [[Fiscal Officer or Clerk Treasurer] obtained 6 of the required 12 hours of training.] ***[<<This procedure should only be included if a newly elected or appointed fiscal officer or clerk treasurer has completed the first year of their term during the years being reviewed OR the fiscal officer’s or clerk treasurer’s term ended during the years being reviewed. Please note this is for fiscal officers or clerk treasurers whose term begins after 3-23-15. Also note that 2 hours of ethics training is required per term and that newly elected or appointed fiscal officers or clerk treasurers are required to obtain 18 hours of training- 6 in the first year and the re-elected fiscal officers or clerk treasurers are required to obtain 12 hours.]***

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

1. ***[[41]](#endnote-42)***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. ***[[42]](#endnote-43)***We obtained supporting evidence for the Related Party Transactions identified in procedure 1. We found no exceptions.

***[Insert the following paragraph if the Village 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 Village. We requested that the Village provide such representations but the Council and/or [fiscal officer or clerk treasurer] refused to do so.

We were engaged by the Village 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 Village’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 Village 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 of 2022-2023 or 2023. For period 2021- 2022 and prior, 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-2)
2. Auditors should inquire of local officials as to whether a municipal government’s home rule powers supersede the Ohio Rev. Code requirements listed in this shell. If so, auditors should tailor their compliance testing, and list the charter / ordinance requirement sections we tested in lieu of the Ohio Rev. Code sections listed in this shell. ***Important:*** Our inquiries should only relate to home rule sections that supersede requirements already listed in this report. This is not an audit, so we generally need not consider whether other home rule requirements are material. However, if you believe a home rule requirement unrelated to the Ohio Rev. Code requirements listed herein is so significant that we should test and report on it, consult with your chief auditor, and if necessary, AOS Staff should submit a consult through the AUP Specialty in Spiceworks (IPAs should contact the [IPAcorrespondence@ohioauditor.gov](mailto:IPAcorrespondence@ohioauditor.gov) inbox). [↑](#endnote-ref-3)
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-4)
4. Please read the document, [*AUP Additional Guidance*](http://www.ohioauditor.gov/references/agreeduponprocedures.html) for additional information. [↑](#endnote-ref-5)
5. 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](mailto:IPAcorrespondence@ohioauditor.gov) inbox) for additional procedures. [↑](#endnote-ref-6)
6. **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-7)
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-8)
8. If the entity using the UAN system had no activity on 1/1/2022, then run the Fund Ledger Report as of the first date they had activity during the year. [↑](#endnote-ref-9)
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-10)
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-11)
11. For AOS auditors, DITA designed a workpaper for testing income tax activity related to data received from RITA. The workpaper for your entity is located here: (e.g. S:\\_Audit\DITA Provided Files\{​​​​​​​​​REGION}​​​​​​​​​\{​​​​​​​​​ENTITY\_TYPE}​​​​​​​​​\{​​​​​​​​​ENTITY\_NUMBER-NAME}​​​​​​​​​\{​​​​​​​​​YEAR}​​​​​​​​​\RITA\). Data appearing on the rev test tab would replace the reports received from RITA. AOS Auditor’s should use this data for testing this step instead of reaching out directly to RITA for any information.

    Note: Depending on when this AUP is performed, there may be instances when the 12/31/2023 DITA prepared RITA working papers will not be available. In those instances for 2023, we should obtain RITA reports from the client and the wording in the procedure should be modified accordingly for both years. (When the DITA prepared spreadsheets are available for both years in the engagement, auditors should modify the following language in the procedure from, “Total Distributions reports submitted by the Regional Income Tax Agency (RITA),” to “RevTest Tab on the DITA prepared Regional Income Tax Agency (RITA) working papers. RITA is”.) [↑](#endnote-ref-12)
12. It has come to our attention that EMS receipts may be posted with other receipt types in AWB. Auditors will need to scan the population to determine if the Entity has EMS receipts and if the EMS receipts should be treated as an individual revenue type for testing per the AUP Additional Guidance document. [↑](#endnote-ref-13)
13. Other Receipts includes all receipts not tested in the procedures included in this report (i.e. Transfers In, Property Taxes, 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-14)
14. Use the correct fund name. If the Village does not use a debt service fund, read **2024 OCS 1 - 10** to determine if the Village retired the debt from a permissible fund. If the Village did not comply, cite the proper code section and propose a finding for adjustment in this report. [↑](#endnote-ref-15)
15. This population consists of both full and part time employees, including elected officials. [↑](#endnote-ref-16)
16. If testing prior to the 4th quarter being due/paid, modify the description and test the 3rd quarter. [↑](#endnote-ref-17)
17. The amount due should equal the amount paid, unless you have an exception noted below the table. [↑](#endnote-ref-18)
18. This date assumes they remit State income taxes monthly. If your entity reports quarterly the due date should be changed to January 31. [↑](#endnote-ref-19)
19. Delete if no local income taxes. Insert additional rows if there is more than one applicable local income tax. [↑](#endnote-ref-20)
20. Payments should be remitted monthly. If your entity reports quarterly the due date should be changed. [↑](#endnote-ref-21)
21. 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-22)
22. Clerk Treasurer should be used for elected individuals while Fiscal Officer should be used for individuals that are appointed. [↑](#endnote-ref-23)
23. NOTE: An appropriation for a new federal COVID 19 or Infrastructure Investment and Jobs Act program is effectively created by operation of Ohio Rev. Code § 5705.42. Ohio Rev. Code § 5705.42 indicates Federal and State grants or loans are “deemed appropriated” for such purpose by the taxing authority as provided by law. In addition, those moneys are also treated as if they are in the process of collection by the fiscal officer of the subdivision. This means that under Ohio Rev. Code § 5705.42, the moneys are treated by the fiscal officer as if they have been appropriated for a specific purpose, without requiring the taxing authority to adopt an amended appropriation measure. However, the fiscal officer should include the appropriated amounts on the (amended) certificate. The fiscal officer should also record the appropriation in the accounting system. The “deemed appropriated” criteria applies to new federal programs but not to the ARPA funds for which the revenue is reallocated as described in AOS Bulletin 2021-004. The funds receiving the reallocation will need to estimate receipts and appropriate in the traditional manner.

    See [AOS COVID-19 FAQs](https://ohioauditor.gov/resources/covid19_faqs.html) and [AOS Bulletin 2021-004](https://ohioauditor.gov/publications/bulletins/2021/2021-004_rev.pdf).

    Ohio Rev. Code §§ 5705.09(F) and 5705.10(I) imply that a resolution must be present in order for the restrictions on the use of the funds to be documented and evident. [↑](#endnote-ref-24)
24. Where a local government decided within the program period of performance but after the fiscal year end to reimburse eligible expenditures made prior to fiscal year end with allowable federal programs: This reimbursement activity, while allowable, has considerations that should be evaluated to determine if they are accounted for correctly and addressed any cut-off considerations appropriately in the preparation of their financial statements. See further guidance in Appendix A-1 of the OCS Implementation Guide, [AOS Bulletin 2021-004](https://ohioauditor.gov/publications/bulletins/officialbulletins.html), and AOS Advisory Memo, Prior Fiscal Year Expenditures Reimbursed with Federal Funds in the Subsequent Fiscal Year at [20210702- PriorFiscalYearExpenditures.pdf (ohioauditor.gov)](https://ohioauditor.gov/publications/advisorymemos/20210702-PriorFiscalYearExpenditures.pdf). [↑](#endnote-ref-25)
25. There is no legal authority addressing whether encumbrances are to be included when analyzing fund balances. Ohio Rev. Code § 5705.10 does not explicitly prohibit an entity from having a negative fund balance. Instead we cite Ohio Rev. Code § 5705.10 because restricted funds were used for other purposes. Therefore do not include encumbrances when analyzing compliance with Ohio Rev. Code § 5705.10. [↑](#endnote-ref-26)
26. These covenants do not require an audit, so an AUP is sufficient. [↑](#endnote-ref-27)
27. For additional guidance see the [Sunshine Law and StaRS FAQ](http://ohioauditor.gov/ocs/2019/Sunshine%20Laws%20and%20StaRS%20FAQs.docx). Charter Villages need to consult with the AOS Legal division to ensure applicability of the Sunshine Law requirements.

    Note: AOS staff should consult with the assistant legal counsel assigned to their region regarding any non-compliance or questions related to these requirements or violations of Ohio Rev. Code § 149.351 (destruction of records) related to these records. [↑](#endnote-ref-28)
28. Note: one selection of five (or total population if less than five) is sufficient for each policy tested no matter how many departments follow that policy. In addition, if there are no denials or redactions pulled in the selection, auditors do not need to pull an additional selection. [↑](#endnote-ref-29)
29. See the “OCS 2B-8 Step 7 Applicability” Tab of the [Legal Matrix](https://ohioauditor.gov/ocs/2024/legal_matrix.xlsx) for the Ohio Rev. Code Section applicable to your entity type. [↑](#endnote-ref-30)
30. Note: Auditor should ask whether the elected official or his/her designee successfully attended a certified three-hour Public Records Training for each term of office.

    The Attorney General’s Office (AGO) currently uploads an attendance roster for each certified public records training provided by its office to its external website. The roster is now proof of attendance from the AGO to attendees. The attendance rosters are located here: <https://www.ohioattorneygeneral.gov/Legal/Sunshine-Laws/Sunshine-Laws-Training-Attendance-Reports>. All attendees are notified at the trainings where the rosters are posted.

    The AOS provides paper certificates as proof of attendance.

    Additionally, the AGO may contract with other state agencies, political subdivisions, or other public or private entities to conduct the training programs and seminars. AOS auditor should consult with Legal to determine whether any other trainings qualify as a certified public records training. See Ohio Rev. Code § 109.43(D). [↑](#endnote-ref-31)
31. Elected official does not include judges or clerk of courts. See Ohio Rev. Code § 109.43(A)(2). [↑](#endnote-ref-32)
32. Am. Sub. H. B. No. 481 133rd G.A Section 27(E) includes the following statutory mandate for the Auditor of State:

    “Money in a subdivision's local coronavirus relief fund shall be audited by the Auditor of State during the subdivision's next regular audit under section 117.11 of the Revised Code to determine whether money in the fund has been expended in accordance with the requirements”

    For reference, detailed HB 481 / HB 614 requirements and additional AOS guidance is recapped [Ohio Legislation Information - CARES Act.docx](https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fohioauditor.gov%2Focs%2F2021%2FOhio%2520Legislation%2520Information%2520-%2520CARES%2520Act.docx&wdOrigin=BROWSELINK) See also 2023 OCS 2B-9 for information. [↑](#endnote-ref-33)
33. This step is mandatory for local governments who:

    Received and expended Coronavirus Relief Fund allocations pursuant to Am. Sub. HB 481 and Sub. HB 614.

    * Made subgrants or subloans of Coronavirus Relief Fund allocations received pursuant to Am. Sub. HB 481 and Sub. HB 614.

    Note: The procedures are for expenditures incurred by December 31, 2021 but paid through September 30, 2022. Any expenditures made after September 30, 2022 would be ineligible expenditures from the program. [↑](#endnote-ref-34)
34. Eligible items can include payroll, non-payroll, subgrants or loans to other local governments, subgrants or loans to private businesses and certain non-profits, and grants or loans to individuals. Additionally, some local government may choose to contract a community partner to help administer grant programs within their jurisdictions. All subrecipients should comply with the Uniform Guidance requirements, including but not limited to, Subrecipient Monitoring, described in <https://ohioauditor.gov/resources/covid19/AOS_UG_Guidance_1009_Sept2022-Update.pdf>. Note: Auditors should be sure to review eligible uses for payroll and non-payroll expenditures prior to conducting these interviews. Refer to the Treasury and OBM FAQs in the OCS for detailed guidance. [↑](#endnote-ref-35)
35. Refer to OCS 2A-3 for competitive bidding thresholds for Villages. Items to consider:

    Ohio Rev. Code § 731.14 – Villages

    Ohio Rev. Code § 731.141 – Villages with Village Administrator

    If it’s a Chartered Village and has other local limitations awarded using competitive bidding procedures

    Other Revised Code Section provisions listed in OCS 2A-3 [↑](#endnote-ref-36)
36. Select contracts subject to competitive bidding. Refer to OCS 2A-3 for more details. For example the following would not be subject to competitive bidding:

    Used equipment or supplies at a public auction or emergencies

    Contracts with qualified non-profit agencies and contracts with state departments, political subdivisions, or a regional planning commission

    Specialized services, requiring particular skills and aptitudes, such as engineering or legal services

    professional design services [↑](#endnote-ref-37)
37. If the Village had a valid emergency where they could suspend the bidding requirements that would not be considered an exception and would need to be brought into the results. [↑](#endnote-ref-38)
38. For Villages under Ohio Rev. Code § 731.14, if the legislative authority posts the notice on its web site, it may eliminate the second notice otherwise required to be published in a newspaper of general circulation within the village, provided that the first notice published in such newspaper meets all of the following requirements: (A) It is published at least two weeks before the opening of bids; (B) It includes a statement that the notice is posted on the legislative authority’s internet web site; (C) It includes the internet address of the legislative authority’s internet web site; and (D) It includes instructions describing how the notice may be accessed on the legislative authority’s internet web site. [↑](#endnote-ref-39)
39. Ohio Rev. Code § 7.16 allows the second publication to be in an abbreviated form and provides that that any further publications can be eliminated if the second notice meets all of the requirements of Ohio Rev. Code § 7.16. [↑](#endnote-ref-40)
40. 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-41)
41. Be sure to document in the working papers who you spoke with and when, including name, title, and date. [↑](#endnote-ref-42)
42. AOS Auditor should consult with both their CA and CFAE AUP Specialty if they identify potential fraud issues. [↑](#endnote-ref-43)