

# OHIO AUDITOR OF STATE KEITH FABER



**From:** Auditor of State's Audit Administration  
**To:** All IPA Firms  
**Subject:** Auditor of State's Sunshine Laws Star Rating System (StaRS) Guidance  
**Date:** March 6, 2020

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The purpose of this communication is to provide an understanding of how the Auditor of State's Sunshine Laws Star Rating System (StaRS) ratings will function. We are providing this information to ensure your firm not only understands the required testing and reporting, but also understands how the testing results will translate to a StaRS rating for the entities your firm audits.

## **Applicability of Public Records Act and/or Open Meeting Act (Sunshine Laws) Compliance**

A StaRS rating will only be assigned for an entity to which either the Public Records Act and/or Open Meeting Acts (Sunshine Laws) apply. To clarify the applicability to each entity, we have added two fields to each customer record. These fields are accessible via the Customer Detail located under "View Client Detail & Hinkle System Filings" in the IPA Portal. As noted in Exhibits 5 and 6 of the 2020 [Ohio Compliance Supplement Implementation Guide](#), the determination of applicability for some entities requires consultation. If consultation is required, one or both fields in each customer record will be blank.

### Examples:

- City of Dover: Both the Public Records Act and the Open Meetings Act are applicable.
- City of Lima (a charter city): The Public Records Act applies; however, the applicability of the Open Meetings Act needs to be determined.

Customer Detail		Customer Detail	
Customer Information		Customer Information	
Cust Number:	[REDACTED]	Cust Number:	[REDACTED]
Cust Name:	City of Dover	Cust Name:	City of Lima
Cust Type:	City	Cust Type:	City
Region:	Southeast	Region:	West
County:	Tuscarawas	County:	Allen
Public Records Act?	Yes	Public Records Act?	Yes
Open Meetings Act?	Yes	Open Meetings Act?	
UAN Number:		UAN Number:	
UAN Active:	No	UAN Active:	No
Request 'BILL TO' Address Change		Request 'BILL TO' Address Change	

As you begin the audit or agreed-upon procedures engagement for each of your clients, please review the customer record to determine if applicability has already been determined, denoted by a “yes” or “no” in each of these fields. If the applicability of either the Public Records Act and/or the Open Meeting Act needs to be determined, your firm will need to provide entity-specific documentation to our office to make that determination. We will be providing specific guidance of the documentation your firm will need to provide and the method to provide it. Upon determination of applicability, the fields in the customer record will be populated with either “yes” or “no.”

### Testing of Applicable Sunshine Laws and Best Practices

Section 2-23 of the 2020 [Ohio Compliance Supplement](#) includes the compliance testing with the best practice testing in Appendix A of Section 2-23. **Please note: Implementation of best practices should ONLY be determined if the entity is compliant with ALL statutory compliance requirements in Section 2-23.**

We anticipate questions may arise regarding compliance and/or best practice testing. Additional guidance will be available on the Auditor of State website, as necessary.

### Reporting Result of Sunshine Laws and Best Practices Testing and Correlation to StaRS Rating

If non-compliance is reported in either the Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards* or a management letter, as appropriate, it should be properly identified as non-compliance and reference the appropriate statute.

On February 7, 2020, all IPA firms were provided a communication titled [“OCS 2-23 – Star Rating System Form”](#) regarding how to report results of testing. The provided form must be completed and submitted to the Center for Audit Excellence (CFAE) via [ipareport@ohioauditor.gov](mailto:ipareport@ohioauditor.gov) with the audit or agreed-upon procedures report for each applicable entity with audit periods ended December 31, 2019 or after. **Please Note:** If the audit of a separate legal entity is being satisfied by the audit of the primary government your firm is auditing, and the separate legal entity is subject to testing that will result in a StaRS rating, your firm will need to submit a separate form for each legally, separate entity.

- If non-compliance is reported for any of the 13 compliance requirements under Ohio Revised Code 109.43, 121.22, 149.38, 149.39, 149.41, 149.411, 149.412, 149.42, 149.43 or 3314.037, the first choice on the form should be marked:

Noncompliance Reported

When the “Noncompliance Reported” choice is selected and the appropriate noncompliance is reported, the entity will be designated as “Noncompliant” on the StaRS rating (i.e. Zero stars)

- If no noncompliance is reported and none of the best practices have been implemented, the second choice on the form should be marked:

NO Noncompliance Reported and NO Best Practices Implemented

When the “NO Noncompliance Reported and NO Best Practices Implemented” choice is selected and no noncompliance is reported in the audit report or management letter, the entity will be designated as “Compliant” on the StaRS rating (i.e. 1 star)

- If no noncompliance is reported and your testing determines one or more best practices have been implemented by the entity, the third choice on the form should be marked. When the third choice is marked, please also mark all of the best practices implemented by the entity as of the time of the testing:

NO Noncompliance Reported and the following Best Practices Implemented

(Please click the box next to the description for each best practice implemented)

1.  Method to Track Public Records Requests
2.  Standard Request Forms
3.  Public Records Request Acknowledgement
4.  Public Records Custodian Identified and Trained
5.  Prompt Certified Public Records Training
6.  Online Presence – Upcoming Events and Office Operations
7.  Online Presence – Official Documents

When “NO Noncompliance Reported and the following Best Practices Implemented” and the implemented best practices are marked, the entity will receive additional stars in their StaRS rating (i.e. 1-2 best practices implemented, 2 total stars; 3-4 best practices implemented, 3 total stars; and 5 or more best practices implemented, 4 total stars). Entities achieving a 2, 3 or 4 StaRS rating will also be able to access a printable award certificate via their Auditor of State eServices account to acknowledge their accomplishment.

Each applicable entity’s StaRS rating (i.e. number of stars) will be automatically assigned based on the results of the compliance and applicable best practices testing above.

## Overall Summary

CFAE will contact your firm if your firm does not:

- ❖ Contact the AOS when determination of the applicability of the Public Records Act and/or Open Meetings Act has not been designated in the entity's Client Detail section in the IPA Portal;
- ❖ Submit the Sunshine Laws StaRS Rating form with your audit or AUP report for an applicable entity;
- ❖ Submit a separate Sunshine Laws StaRS Rating form for each legally separate entity when the audit of the separate entity is being satisfied by the audit of the primary government; or
- ❖ Correctly complete the Sunshine Laws StaRS Rating form.

Questions can be directed to [IPACorrespondence@ohioauditor.gov](mailto:IPACorrespondence@ohioauditor.gov).