

# OHIO AUDITOR OF STATE KEITH FABER



**From:** Auditor of State's Center for Audit Excellence

**To:** All IPAs

**Subject:** 2021 Ohio Compliance Supplement

**Date:** May 7, 2021

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The final update to the 2021 OCS (PDF and Word versions) has been posted to <http://www.ohioauditor.gov/references/compliancemanuals.html>.

A summary of changes included in this May 2021 OCS update is attached. With the exception of 2 minor edits, all were related to 6/30/2021 school audits. Due to school audits not yet starting, we do not anticipate any auditors have pulled in or started using the January version, so the May version must be used. If you have already pulled the 2021 compliance supplement into your 6/30/2021 project you must replace or add the sections applicable to your engagement.

*Note: Make sure you close and reopen your browser or refresh (Ctrl+F5) your screen to get the current updates. Look for the following to quickly determine if the May 2021 version is loading to your screen (Ch. 1: 1-27A & C are now included; Ch. 2 & 3: 2-13 & 3-6 have HB 409 referenced in box at top of section; IG & OPM: no references to 'CAFR' should come up in search.)*

Questions can be directed to Kelly Berger-Davis at [kmberger-davis@ohioauditor.gov](mailto:kmberger-davis@ohioauditor.gov).

# Ohio Compliance Supplement 2021

## Summary of May 2021 Changes

**REMINDER: Red text throughout the 2021 Ohio Compliance Supplement is a change related to COVID-19**

<b>Chapter 1</b>	<p><b>1-26: School district funding</b> – This section was originally issued in the January 2021 release. <u>Significant edits</u> have since been made and are clearly marked (with the same strike-out, wavy &amp; double underline as the prior edits). Due to school audits not yet starting, we do not anticipate any auditors have pulled in or started using the January version, so the May version must be used.</p> <p><b>1-27: Community school funding</b> – Due to school audits not yet starting, we do not anticipate any auditors have pulled in or started using the prior version, so the May version must be used.</p> <ul style="list-style-type: none"><li>• Flowchart – The flowchart is not included in the 2021 OCS, as information is included in 1-27A, B, &amp; C to assist auditors in determining which section to use.</li><li>• A (<b><i>Brick and Mortar only</i></b>) - As mentioned previously, this section was not included in the November 2020, or January 2021 releases. <u>Significant edits</u> were made to this section from the 2020 version, and are clearly marked.</li><li>• B (<b><i>Electronic Schools (E-Schools) only</i></b>) – This section was originally issued in the November 2020 release. Updates have since been made for HB 409 &amp; SB 89.</li><li>• C (<b><i>Blended only</i></b>) - As mentioned previously, this section was not included in the November 2020, or January 2021 releases. <u>Significant edits</u> were made to this section from the 2020 version, and are clearly marked.</li></ul>
<b>Chapter 2</b>	<p><b>2-13: Sponsor monitoring of community schools</b> – Added guidance from HB 409, as amended by HB 67. Also added guidance &amp; related test from HB 164 and updated a reference to this HB.</p>
<b>Chapter 3</b>	<p><b>3-6: Dropout Prevention and Recovery School eligibility requirements</b> – Added guidance from HB 409, as amended by HB 67.</p>
<b>Implementation Guide</b>	<p><b>Appendix A: Budgetary and Certain Related Requirements</b> – Changed ‘CAFR’ to ‘Comprehensive Annual Financial Reports’. As per the GFOA policy statement on March 9, 2021, the Government Finance Officers Association (GFOA) has asked all industry affiliates to immediately stop using the common four-letter acronym (CAFR) most often associated with the Comprehensive Annual Financial Report.</p>
<b>OPM</b>	<p><b>O-7: Capital and maintenance reserve account</b> – Changed ‘CAFR’ to ‘Comprehensive Annual Financial Reports’. As per the GFOA policy statement on March 9, 2021, the Government Finance Officers Association (GFOA) has asked all industry affiliates to immediately stop using the common four-letter acronym (CAFR) most often associated with the Comprehensive Annual Financial Report.</p>