

OHIO AUDITOR OF STATE KEITH FABER



From: Auditor of State's Center for Audit Excellence
To: All IPA Firms
Subject: Cash Basis Entity Audit Report Due Date Change
Date: July 20, 2021

Ohio law (ORC § 117.38) requires that local public offices file their annual financial reports with AOS. Entities not required to file on a GAAP basis and GAAP mandated entities under OAC § 117-2-03(B) choosing to not file on a GAAP basis, have 60 days following fiscal year-end to complete their submission via the Hinkle System in accordance with ORC § 117.38.

Historically, regardless of the statutory due date for the entity to file via the Hinkle System, all audit and AUP reports, have had a due date of six (6) months subsequent to year end. To better align the audit report due date with the Hinkle System filing statutory deadline, all **new** IPA contracted audits for entities reporting on the cash basis of accounting (OCBOA-Cash, OCBOA-Modified Cash and OCBOA-Regulatory), with a 60 day statutory Hinkle System filing due date, will have an audit due date of five (5) months subsequent to year end. The due dates will not change for any existing contracts or any extended contracts when the RFP is dated prior to the date of this memo.

The Quality Assurance timeliness score calculation will not change. The timeliness score is automatically calculated based on the due date and the date received by the Auditor of State. Currently, bonus points are added to an individual timeliness score when the IPA audit report is received by the Auditor of State as follows:

Days Submitted After Period End Date	Points Added
90	3
120	2
150	1

This calculation will remain in place for all non-cash basis of accounting report submissions.

For report submissions on the cash basis of accounting (OCBOA-Cash, OCBOA-Modified Cash and OCBOA-Regulatory) which have a 60 day statutory Hinkle System filing due date, bonus points will be added to an individual timeliness score when the IPA audit report is received by the Auditor of State as follows:

Days Submitted After Period End Date	Points Added
60	3
90	2
120	1

Note: The bonus points are based on the end of the audit period rather than the IPA due date and will only be awarded if the report is not recalled. While the bonus points are assigned to individual audits, the highest overall average timeliness score for contract scoring purposes is 10. The overall timeliness score for each firm is the average of the timeliness scores for all reports certified by the Auditor of State over the past two years.

Questions can be directed to IPACorrespondence@ohioauditor.gov.