

ATTACHMENT B

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Town Council and
Honorable Mayor
Clarkston Town

In accordance with *Utah Code 51-2a-201*, I have performed the procedures enumerated below, which were agreed to by Clarkston Town and the Office of the Utah State Auditor, related to Clarkston Town's Financial Survey, accounting records, and compliance with applicable state laws, rules, and requirements for the year ended June 30, 2021.

Clarkston Town's management is responsible for its Financial Survey, accounting records, and compliance with applicable state laws, rules, and requirements. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, I 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.

This agreed-upon procedures engagement was conducted in accordance with the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Agreed-Upon Procedures Related to the Amounts Reported to the Office of the Utah State Auditor

The procedures that I performed and my findings are summarized as follows:

Procedures	Result
FINANCIAL SURVEY	
GENERAL	
1. I obtained a copy of the entity's Financial Survey which was completed by the entity.	I noted no exceptions as a result of these procedures.
2. I agreed amounts reported on the Financial Survey to the entity's general ledger.	I noted no exceptions as a result of these procedures.

Procedures	Result
REVENUES 3. I compared each revenue account on the Financial Survey to the corresponding prior period amounts. For changes greater than 5% of total revenues and 10% of the individual line item from the prior year, inquire of management and review applicable supporting documentation and determined whether the entity's explanation for the change was in accordance with the entity's policies and procedures, GAAP, and State and/or Federal policies as applicable.	I noted no exceptions as a result of these procedures.
DISBURSEMENTS 4. I compared each expense account on the Financial Survey to the corresponding prior period amounts. For changes greater than 5% of total expenses and 10% of the individual line item from the prior year, inquire of management and review applicable supporting documentation to determine whether the entity's explanation for the change was in accordance with the entity's policies and procedures, GAAP, and State and/or Federal policies as applicable.	I noted no exceptions as a result of these procedures.
ACCOUNTING RECORDS	
GENERAL 5. I inquired with those charged with governance, the chief administrative officer and chief financial officer (as designated in UCA 11-50-202) of any instances indicating any fraud, illegal acts, or noncompliance.	I noted no exceptions as a result of these procedures.
DISBURSEMENTS 6. I determined whether financial reports were prepared monthly or quarterly as required, and reviewed by the governing body. I selected one financial report and (1) scanned the general ledger and determined that all funds were included in the report, and (2) agreed the lesser of 10% or 15 line items from the report to the general ledger.	I noted no exceptions as a result of these procedures.
7. I inquired with the chief administrative officer and the chief financial officer whether there are disbursements to related parties. I also scanned disbursement records for disbursements to related parties and determined who has credit cards or purchasing cards issued by the entity. I selected the lesser of 25 disbursements or 10% of disbursements ensuring that the selection includes disbursements to related parties as well as credit card or purchase card disbursements made by members of the governing body and executive level of management.	I noted no exceptions as a result of these procedures.

Procedures	Result
For each transaction selected, I determined whether the disbursement: a. Was consistent with the entity's purpose.	I noted no exceptions as a result of these procedures.
b. Agreed to the receipt or invoice supporting the amount and payee.	I noted no exceptions as a result of these procedures.
c. Was authorized consistent with the entity's policies and procedures.	I noted no exceptions as a result of these procedures.
d. Was in compliance with the entity's purchasing policy (bids, quotes, etc.)	I noted no exceptions as a result of these procedures.
e. Was classified and recorded in accordance with the entity's chart of accounts and policies and procedures, GAAP, and State/Federal policies and applicable.	I noted no exceptions as a result of these procedures.
8. For each credit or purchasing card used, I selected one month during the period and determined whether card purchases were reconciled to receipts monthly by someone other than the card holder.	I noted no exceptions as a result of these procedures.
9. Through inquiry with management and scanning receipt records, I determined what restricted revenue is received by the entity and selected the lesser of 10% or 5 disbursements from restricted funds and determined whether the disbursements were in compliance with restrictions placed on the funds.	I noted no exceptions as a result of these procedures.
CASH 10. For each depository account, I obtained the year-end bank reconciliation and one additional month's bank reconciliation and performed the following:	
a. Traced the bank balance on the reconciliation to the balance per the bank statement.	I noted no exceptions as a result of these procedures.
b. Traced the reconciled book balance to the general ledger and the amount reported on the Financial Survey.	I noted no exceptions as a result of these procedures.
c. Tested the clerical accuracy of the reconciliation.	I noted no exceptions as a result of these procedures.

Procedures	Result
d. For reconciling items greater the 5% of annual revenues, inquired of management and reviewed applicable supporting documentation to determine that the items were consistent with the entity's policies and procedures, GAAP, and State/Federal policies. Traced the lesser of 10% or five reconciling items to a subsequent bank statement.	I noted no exceptions as a result of these procedures.
e. Traced the lesser of 10% or five deposit transactions and 10% or five disbursement transactions to the general ledger.	I noted no exceptions as a result of these procedures.
11. For each depository bank reconciliation selected above, through inquiry of management and review of the reconciliation, I determined whether the bank reconciliation was performed by someone who does not have access to receipts or disbursements (including direct access to perform withdrawals/transfers in the bank accounts). If the individual did have access to receipts or disbursements I determined whether a separate individual reviewed the completed bank reconciliation.	I noted no exceptions as a result of these procedures.
MEETINGS 12. I reviewed the governing board's meeting minutes for the period applicable to the engagement through the report date of the engagement. For all financial transactions discussed in the minutes exceeding 5% of total revenues, and a selection of the lesser of 10% or 3 less-significant financial transactions discussed, I traced the transactions to the entity's accounting records and determined whether the transactions were recorded and reported in accordance with the entity's policies and procedures, GAAP, and State and/or Federal policies, as applicable.	I noted no exceptions as a result of these procedures.
COMPLIANCE	
MEETINGS 13. I selected and obtained the agenda and meeting minutes for two public meetings held during the engagement year and performed the following:	
a. I determined that the entity gave proper notice of the meeting at least 24 hours before each meeting by posting the notice on the Utah Public Notice website.	I noted no exceptions as a result of these procedures.
b. I determined that the agenda was reasonably specific to enable lay persons to understand the topics to be discussed.	I noted no exceptions as a result of these procedures.
c. I determined if the public body took any final actions on a topic in the meeting that was not listed under an agenda item.	I noted no exceptions as a result of these procedures.

Procedures	Result
d. I determined whether the minutes were posted to the Utah Public Notice Website within three days of the meeting minutes being approved. (Exceptions: Charter schools are required only to <u>make the meeting minutes available</u> to the public within 3 days of being approved).	I noted no exceptions as a result of these procedures.
e. If a portion of the meeting was closed to the public, determine that 1) before the meeting was closed, the reason for holding the closed meeting was documented in the meeting minutes and a roll call vote was taken, 2) the reason for closing the meeting was permitted under UCA 52-4-205, and 3) an audio recording of the closed meeting was made, or in the case of meetings closed to discuss Section 52-4-205(1)(a)(i)(f) or (2), the presiding person had executed a sworn statement that the sole purpose of the closed meeting was to discuss those issued.	Not applicable.
BUDGET 14. I determined if a budget was approved before the start of the budget year and the budget presented to the public and governing body contained the required financial information.	I noted no exceptions as a result of these procedures.
15. I determined if the entity provided the required 7-day notice for its original and final budget adoption hearing.	I noted no exceptions as a result of these procedures.
16. I examined the entity's records and financial reports and determine whether the total expenditures stayed within the amounts appropriated in the final adopted budget.	I noted no exceptions as a result of these procedures.
FUND BALANCES 17. <u>Deficit Fund Balances:</u> For any fund that had a deficit fund balance in the year under review, I determined whether the entity included in the subsequent budget year and appropriation to retire the deficit of an amount equal to or greater the 5% of the fund's total actual revenue of the year under review.	Not applicable.
18. <u>General Fund Balance Limitations:</u> I determined whether the entity's unrestricted (committed, assigned, and unassigned) general fund balance did not exceed 25% for cities or 75% of towns of the total revenue of the general fund for the engagement year.	I noted no exceptions as a result of these procedures.

Procedures	Result
TRAINING 19. Through inquiry with officials of the entity and observation of meeting agendas, certificates or other relevant evidence, I determined that the following training has occurred as applicable: a. Annual training on the requirements of the Open and Public Meetings.	I noted no exceptions as a result of these procedures.
b. Annual online training by the entity's designated records officer on the requirements of GRAMA.	I noted no exceptions as a result of these procedures.
GRAMA (GOVERNMENT RECORDS ACCESS MANAGEMENT ACT) 20. If the entity charges fees for GRAMA requests, I verified that the entity has adopted a uniform fee structure.	I noted no exceptions as a result of these procedures.
Fraud Risk Assessment 21. I reviewed the entity Fraud Risk Assessment and verified that it was signed by the appropriate officers and discussed by the governing body as represented in the minutes.	I noted no exceptions as a result of these procedures.
PUBLIC TREASURER'S BOND 22. I determined whether the Treasurer was bonded or insured in accordance with Money Management Council Rule R628-4-4.	I noted no exceptions as a result of these procedures.
Government Fees 23. I determined that Government Fees collected by the entity were approved, tracked, and reasonable according to prescribed criteria.	I noted no exceptions as a result of these procedures.

These agreed-upon procedures do not constitute an audit or a review of Clarkston Town's accounting records or the Financial Survey or any part thereof, the objective of which is the expression of an opinion or limited assurance on the accounting records or the Survey or any part thereof. Also, I was not engaged to and did not conduct an examination or a review of Clarkston Town's compliance with applicable state laws, the objectives of which would be the expression of an opinion on compliance. Accordingly, I do not express such opinions or limited assurances. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the information and use of the Office of the Utah State Auditor, Town Council, and management of Clarkston Town and is not intended to be and should not be used by anyone other than these specified parties.

Matthew Regen, CPA, PC
Logan, Utah
February 12, 2022

In accordance with *Government Auditing Standards*, I am required to report significant deficiencies, material weaknesses, instances of fraud, noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse that come to my attention during my agreed-upon procedures that warrant the attention of those charged with governance. My agreed-upon procedures disclosed the following matters that warrant the attention of Town officials: