This guide is provided in accordance with Chapter 11.6(7) of the Code of Iowa. Use of this guide in your practice requires a proper implementation of professional standards. This guide is not a substitute for an understanding of the applicable professional standards. While this guide has been reviewed internally by CPAs within the Auditor of State's Office and is subject to outside peer review every three years, the guide has not undergone an external Quality Control Material Review or Examination.

2021 Compliance Guides CITY 2021 COMPLIANCE GUIDE SUPPLEMENT

<u>Purpose</u>: To document new or revised compliance items to be tested and/or document testing.

Source: Workpapers as referenced.

<u>Scope</u>: Compliance items tested each year are based on risk assessment.

<u>Conclusion</u>: Compliance selections and/or testing is documented per Compliance Guide and workpapers.

2021 Compliance Guides CITY COMPLIANCE GUIDE

In addition to the updated City Compliance Guide, we have made available this 2021 City Compliance Guide Supplement which details all changes made to the prior year City Compliance Guide. This Supplement may be used to update the prior year Compliance Guide in lieu of completing a new guide each year.

COMPLIANCE GUIDE SUPPLEMENT

		Non-compl iance Noted/FY			FY2	1			FY22		FY23				
	Cate- gory	Non-co iance l	Sele- cted	Done By	WP Ref	Remarks	Sele- cted		WP Ref	Remarks	Sele- cted	Done By	WP Ref	Remarks	
				RISK				RISK			RISK				
		<u> </u>	Н	M	L		Н	M	L		Н	M	L		
INVESTMENTS:															
5. (21) Public funds investment standards:															
a. Determine the allowability of any sweep accounts.	3														
b. Determine the underlying collateral of repurchase agreements consists of authorized investments and the District has taken delivery of the collateral either directly or through an authorized custodian as provided in Chapter 12B.10(5)(a)(5) of the Code of Iowa.	3														

		Non-compl iance Noted/FY			FY2	1			FY22				FY23	
	Cate	Non-co iance N	Sele- cted	Done By	WP Ref	Remarks	Sele- cted		WP Ref	Remarks	Sele- cted	Done By	WP Ref	Remarks
				RISK				RISK	I		RISK			
		ı	H	M	L		Н	M	L		Н	M	L	
RECEIPTS/REVENUES														
10. Restricted Donor Activity under Chapter 68B:														
a. Determine the existence of restricted donor activity, such as: vendors taking officials out for meals, vendors offering trips or vacations, providing free clothing samples, gift baskets, holiday gifts, etc. Inquiry of various departments may be required.	1													
b. Documentation should include all restricted donor activity received during the period, the official involved, and a description of each transaction	1													

COMPLIANCE GUIDE SUPPLEMENT

			mpl loted/FY			FY2	1	FY22				FY23				
DISBURSEMENTS: 3. (21) Review disbursements to determine if the City has incurred expenditures to nonprofit organizations. Article III, section31 of the Iowa Constitution prohibits governmental bodies from making a gift to a private nonprofit corporation. If expenditures were incurred: a. Determine if the City hired the nonprofit for services with a contract or 28E agreement. b. Determine if expenditures is a gift. c. Determine if expenditures complies with Chapter 15A (i.e., the economic development disbursement creates jobs or income or retains existing jobs or income that would		Cate	Non-co iance N	Sele- cted			Remarks				Remarks			WP Ref	Remarks	
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COMPLIANCE GUIDE SUPPLEMENT

			Noted/FY				1			FY22		FY23					
		Cate- gory	0 4	Sele- cted	Done By	WP Ref	Remarks	Sele- cted	Done By	WP Ref	Remarks	Sele- cted	Done By	WP Ref	Remarks		
					RISK				RISK				RISK				
				н	M	L		н	M	L		н	M	L			
В	JDGETS:																
2.	(21) Determine hearings were held and publications were made in accordance with Chapter 384.16(3) of the Code of Iowa, for the following: (Notice of public hearing on the budget must be published not less than ten nor more than twenty days before the hearing.)	2															
	a. Maximum levy notice.	2															
	b. City budget	2															
	 Adopted budget by March 31st (Per Governor's Emergency Proclamations April 30th for FY2021 budgets). 	2															
3.	(21) Determine the maximum levy amounts were adopted by resolution	2															
4.	(21) If the maximum levy amount increased more than 2% over the current year, determine the resolution was adopted by a supermajority (2/3 vote), which should be evident in the roll call vote listed on the resolution	2															