



OFFICE OF THE STATE AUDITOR



June 10, 2019

DIANNE E. RAY, CPA
—
STATE AUDITOR

DEPARTMENT OF LOCAL AFFAIRS FISCAL YEAR 2018 AGREED-UPON PROCEDURES REPORTING

Members of the Legislative Audit Committee:

The federal Department of Housing and Urban Development (HUD) requires the Colorado Department of Local Affairs (Department), in its capacity as a Public Housing Authority (PHA) and direct recipient of federal housing grants, to submit required financial information and undergo certain financial and compliance procedures on an annual basis. Specifically, the Uniform Financial Reporting Standards (24 CFR Section 5.801) require PHAs to submit specified financial information electronically to HUD no later than 9 months after the PHA's fiscal year end. In order for HUD to gain an acceptable level of assurance over the electronic submission, PHA's are directed to procure an Independent Public Accountant to perform a separate agreed upon procedures engagement to determine whether the submitted information agrees with the State's audited financial statements.

The attached report contains the Department's HUD prescribed reporting for Fiscal Year 2018. The CO911 code is Department Local Affairs's HUD identifier for the DOLA Housing Authority program. This work was performed by the accounting firm of Terry & Company P.C. under contract with the Office of the State Auditor. The auditor determined, based on the procedures performed, that the Department's information electronically submitted to HUD agreed with the related supporting documentation without exception.

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**INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURE**

Members of the Legislative Audit Committee:

We have performed the procedure described in the second paragraph of this report, which was agreed to by the Colorado Division of Housing and the U.S. Department of Housing and Urban Development, Real Estate Assessment Center (REAC), on whether the electronic submission of certain information as of June 30, 2018 agrees with the related hard copy documents included within the Federal Office of Management and Budget (OMB) Uniform Administrative Requirements reporting package as of June 30, 2018. The Colorado Division of Housing is responsible for the accuracy and completeness of the electronic submission. The sufficiency of the procedure is solely the responsibility of the Colorado Division of Housing and the U.S. Department of Housing and Urban Development, REAC. Consequently, we make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.

We compared the electronic submission of the items listed in the "Uniform Financial Reporting Standard (UFRS) Rule Information" column, as of June 30, 2018, with the corresponding printed documents listed in the "Hard Copy Documents" column. The associated findings from the performance of our agreed-upon procedure indicate agreement or non-agreement of the electronically submitted information and hard copy documents as shown in the attached chart.

The Colorado Division of Housing (CO 911) is a Division within the Department of Local Affairs which is a Department of the State of Colorado (the Reporting Entity).

This agreed-upon procedure engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on whether the electronic submission of the items listed in the "UFRS Rule Information" column agrees with the related hard copy documents within the audit reporting package. Accordingly, we do not express such an opinion or conclusion. Further, we did not perform an audit in accordance with OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

A copy of the reporting package required by OMB Uniform Administrative Requirements, which includes the auditor's report, is available in its entirety from the reporting entity. We take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development, REAC.

The purpose of this report on applying the agreed-upon procedure is solely to describe the procedure performed on the electronic submission of the items listed in the "UFRS Rule Information" column and the associated findings, and not to provide an opinion or conclusion. Accordingly, this report is not suitable for any other purpose.

Terry & Company, P.C.

Greenwood Village, Colorado
February 26, 2019

**ATTACHMENT TO INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURE**

| UFRS Rule Information | Hard Copy Documents | Results of Procedures Performed |
|--|---|--|
| Balance Sheet and Revenue and Expense (data line items 111 to 11210) | Financial Data Schedules of component unit | Agrees |
| Footnotes (data element G5000-010) | Footnotes to audited basic financial statements of the reporting entity | Agrees |
| Type of opinion on the FDS (data element G3100-04) | Auditor's supplemental reports on FDS | Agrees |

AN ELECTRONIC VERSION OF THIS REPORT IS AVAILABLE AT
WWW.STATE.CO.US/AUDITOR

A BOUND REPORT MAY BE OBTAINED BY CALLING THE
OFFICE OF THE STATE AUDITOR

303.869.2800

PLEASE REFER TO REPORT NUMBER 1829F-AT WHEN REQUESTING THIS
REPORT