

Independent Accountant's Report on Applying Agreed-Upon Procedures

SAMPLE LSC and USA Swimming, Inc.:

We have performed the procedures enumerated below to ensure the SAMPLE LSC (the LSC) is operating in accordance with the LSC Affiliation Agreement of USA Swimming, Inc. as of and for the year ended _____.

The LSC has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of ensuring that the LSC is operating in accordance with the LSC Affiliation Agreement. Additionally, USA Swimming, Inc. acknowledge that the procedures performed are appropriate for their purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report, and as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

- 1) Obtain USA Swimming provided "Agreed Upon Procedures Inquiry Checklist" completed by LSC Representative. Completed checklist is included as Attachment A.
- 2) Prepare a year over year comparison of the balance sheet financial statement line items. For any variances over 10 percent, inquire of LSC representative the reason for the variance. Financial statement line items less than 5% of total assets will not be reviewed. Explanation for variances is included as Attachment B.
- 3) Prepare a year over year and actual to budget comparison for income statement line items. For any variances over 10 percent, inquire of LSC representative for the reason for the variance. Income statement line items less than 5% of revenues will not be reviewed. Explanations for variances is included as Attachment C.
- 4) Obtain from LSC representative a list of all vendor invoices paid during the fiscal year. Randomly select 10 vendor invoices and obtain invoice and cancelled check. Agree amount and payee per invoice to canceled check. Inspect invoice for signature or initials indicating approval for payment. Differences noted are listed below:

None noted

- 5) Obtain bank and investment reconciliations as of year-end. Agree bank/investment balance per reconciliation to bank/investment statement. Agree book balance per reconciliation to the general ledger balance at year end as provided by management. Differences noted are listed below:

None noted

- 6) Obtain list of cash disbursements by vendor for the calendar year (January 1 – December 31) from LSC representative. For each vendor paid more than \$600 for the calendar year per the list, obtain copy of the vendor's 1099s. Exceptions noted are listed below:

None noted.

- 7) If LSC pays wages, obtain reconciliation of IRS Form 941 to general ledger as of 12/31 prepared by LSC representative. Obtain listing of amounts paid for the calendar year by employee. Obtain copies of W-2s issued for the year. For each employee per the listing who was paid over \$600, agree employee name and amount paid per the listing to the W-2. Exceptions noted are listed below:

None noted

- 8) Obtain and attach most recently filed 990. IRS Form 990 is included as Attachment D.
- 9) Obtain and attach year-end internally prepared financial statements. Financial statements are included as Attachment E.

We were engaged by the LSC to perform this agreed-upon procedures engagement and conducted out engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on ensuring that the LSC is operating in accordance with the LSC Affiliation Agreement. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the LSC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of SAMPLE LSC and USA Swimming and is not intended to be and should not be used by anyone other than those specified parties.

Attachment A – Completed Agreed Upon Inquiry Checklist (Attach completed inquiry checklist)

SAMPLE

Attachment B – Balance Sheet Variance
(SAMPLE BALANCE SHEET BELOW)

Description	12/31/2020	12/31/2019	Difference	% Change	Explanation
Cash					
Investments					
Accounts Payable					
Net Assets					

SAMPLE

Attachment C – Income Statement Variance (SAMPLE
INCOME STATEMENT BELOW)

Description	12/31/2020	12/31/2019	Difference	% Change	Explanation
Dues					
Other					
Salaries					
Supplies					
Pool Costs					
Net Income					

Description	12/31/2020 Actual	12/31/2020 Budget	Difference	% Change	Explanation
Dues					
Other					
Salaries					
Supplies					
Pool Costs					
Net Income					

Attachment D – IRS Form 990 (attach
completed IRS Form 990)

SAMPLE

Attachment E – Internally Prepared Financial Statements (Attach internally prepared financial statements)

SAMPLE