



OHIO AUDITOR OF STATE
KEITH FABER



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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Athens County Agricultural Society
Athens County
P.O. Box 669
Athens, Ohio 45701

We have performed the procedures enumerated below on the Athens County Agricultural Society's, Athens County, Ohio (the Society), receipts, disbursements and balances recorded in the cash basis accounting records for the years ended November 30, 2020 and 2019 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Society. The Society is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended November 30, 2020 and 2019 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Society.

The Board of Trustees and the management of the Society have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the Society's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended November 30, 2020 and 2019, and certain compliance requirements related to these transactions and balances. No other party acknowledged the appropriateness of the procedures. 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 the report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the parties specified in the report. Consequently, we 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.

For the purposes of performing these procedures, this report only describes exceptions exceeding \$10.

The procedures and the associated findings are as follows:

Cash

1. We recalculated the November 30, 2020 and November 30, 2019 bank reconciliations. We found no exceptions.
2. We agreed the December 1, 2018 beginning fund balances for the General Fund recorded to the November 30, 2018 balances in the prior year audited statements. We found no exceptions. We also agreed the December 1, 2019 beginning fund balances for the General Fund recorded to the November 30, 2019 balances. We noted an understatement of the Beginning Fund Balance in the financial statement filed in the Hinkle System in the amount of \$71,449. This was due to an error in completing the financial statement to file in the Hinkle System.
3. We agreed the totals per the bank reconciliations to the total of the November 30, 2020 and 2019 fund cash balance reported in the QuickBooks Reconciliation Detail Reports and the financial statements filed by the Society in the Hinkle System.

Cash (Continued)

Fund cash balances per the Reconciliation Detail Report did not agree to the cash balances reported in the QuickBooks Balance Sheet reports. Variances were noted in 2020 and 2019 in the amounts of \$17,917 and \$10,701, respectively. Totals per the Reconciliation Detail reports did not agree to the fund cash balance per the Hinkle filed reports. Variances were noted in 2020 and 2019 in the amounts of \$68,278 and \$74, respectively. The variance in 2020 was due to the incorrect beginning balance being used in the Hinkle Filing.

4. We confirmed the November 30, 2020 bank account balances with the Society's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the November 30, 2020 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) from the November 30, 2020 bank reconciliation:
 - a. We traced each debit to the subsequent December and January bank statement. All cleared except check number 20050 to Jeff Cox in the amount of \$100, dated September 1, 2020.
 - b. We traced the amounts and dates to the check register and determined the debits were dated prior to November 30. There were no exceptions.

Intergovernmental and Other Confirmable Cash Receipts

We selected a total of five receipts from the Distribution Transaction Detail Report (State DTL) and the County Auditor's Vendor Report from 2020 and a total of five from 2019.

- a. We compared the amount from the above named reports to the amount recorded in the Profit and Loss Report. The amounts agreed.
- b. We inspected the Profit and Loss Report to determine these receipts were allocated to the proper account codes. Coronavirus Relief Funds received in 2020 in the amount of \$50,000 were noted on the State Distribution Transaction List. The Society incorrectly posted the receipt to Miscellaneous Other Receipts.
- c. We inspected the Profit and Loss Report to determine whether the receipts were recorded in the proper year. We found no exceptions.

Admission/Grandstand Receipts

We selected two days of admission/grandstand cash receipts from the year ended November 30, 2020 and two days of admission/grandstand cash receipts from the year ended November 30, 2019 recorded in the Profit and Loss Report and agreed the receipt amount to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc.).

For the September 12, 2020 Truck and Tractor Pull, the amount recorded in the Profit and Loss Report on October 7, 2020 was \$8,344.

- a. The ticket sales recapitulation did not include the number of tickets sold on that date.
- b. The admission price per ticket was \$10.
- c. Therefore, the admission receipts could not be recalculated.

For the September 19, 2020 Demolition Derby, the amount recorded in the Profit and Loss Report on October 7, 2020 was \$13,456.

- a. The ticket sales recapitulation did not include the number of tickets sold on that date.
- b. The admission price per ticket was \$10.
- c. Therefore, the admission receipts could not be recalculated.

Admission/Grandstand Receipts (Continued)

For August 7, 2019, the amount recorded in the Profit and Loss Report for August 7, 2019 was \$16,671.

- a. The ticket sales recapitulation reported 1,755 tickets sold on that date.
- b. The admission price per ticket was \$10.
- c. Therefore the recapitulation sheet multiplied by the admission price supports admission receipts of \$17,550 for August 7, 2019, which exceeds the amount recorded by \$879. \$690 of this was noted as refunds.

For August 10, 2019, the amount recorded in the Profit and Loss Report for August 10, 2019 was \$24,610.

- a. The ticket sales recapitulation reported 2,468 tickets sold on that date.
- b. The admission price per ticket was \$10.
- c. Therefore the recapitulation sheet multiplied by the admission price supports admission receipts of \$24,680 for August 10, 2019, which exceeds the amount recorded by \$70.

Rental Receipts

We selected 10 rental cash receipts from the year ended November 30, 2020 and 10 rental cash receipts from the year ended November 30, 2019 recorded in the duplicate cash receipts book and:

- a. Agreed the receipt amount to the amount recorded in the Profit and Loss Report. We were unable to trace thirty percent of the rental receipts tested in 2019 to the posting in the Profit and Loss Detail report. Rental receipts posted during fair week in 2019 were commingled with other types of receipts and did not include the receipt numbers or the name of the customer on the deposit slip.
- b. Agreed the rate charged with rates in force during the period. We found no exceptions.
- c. Inspected the Profit and Loss Report to determine whether the receipt was recorded in the proper year. We were unable to trace thirty percent of the rental receipts tested in 2019 to the posting in the Profit and Loss Detail report. Rental receipts posted during fair week in 2019 were commingled with other types of receipts and did not include the receipt numbers or the name of the customer on the deposit slip.

Sustaining and Entry (Purse) Receipts and Disbursements

We obtained copies of race schedules approved by the Board of Directors. We selected one race day from the year ended November 30, 2019 and performed the following procedures:

- a. Traced authorized race dates to the cash receipt ledger postings and determined whether there are purse receipt postings for each authorized race day. The Profit and Loss Report reported wagering receipts for the authorized dates.
- b. Traced authorized race dates to the cash disbursement ledger postings and determined whether there were purse disbursement postings for each authorized race day. The Profit and Loss Report reported wagering disbursements for the authorized dates.

Other Receipts

We selected 2 other receipts from the year ended November 30, 2020 and 1 other receipts from the year ended November 30, 2019 and:

- a. Agreed the receipt amount recorded in the Profit and Loss Report to supporting documentation. The amounts agreed.
- b. Inspected the Profit and Loss Report to determine the receipt was recorded in the proper year. We found no exceptions.

Debt

1. The prior audit documentation disclosed no debt outstanding as of November 30, 2018.
2. We inquired of management, and inspected the receipt and expenditure records for evidence of loan or credit agreements, and bonded, note, County, or mortgage debt issued during 2020 or 2019 or debt payment activity during 2020 or 2019. There were no new debt issuances, nor any debt payment activity during 2020 or 2019.

Payroll Cash Disbursements

1. We selected one payroll check for five employees from 2020 and one payroll check for five employees from 2019 from the Profit and Loss Detail Report and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll Worksheet to supporting documentation (timecard, legislatively or statutorily-approved rate or salary).
 - i. We inspected the Payroll file for the Retirement system, Federal, State & Local income tax withholding authorization. We noted no income tax withholding authorizations were on file for the Treasurer or Secretary for 2020 nor the Treasurer for 2019.
 - ii. We agreed these items to the information used to compute gross and net pay related to this check. We noted no income tax withheld from the annual compensation from either the Treasurer or Secretary for either year. We also noted there was no timesheet available for a certain employee for check number 19807, paid on August 4, 2019 in the amount of \$614.15.
 - b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.
2. We inspected the last remittance of tax and retirement withholdings for the year ended November 30, 2020 to confirm remittances were timely paid, and that the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2020. We observed the following: No wages were paid in the 4th quarter of 2020. Therefore there were no withholdings due for the final withholding period of 2020.

Non-Payroll Cash Disbursements

We selected 10 disbursements from the Profit and Loss Detail Report for the year ended November 30, 2020 and 10 from the year ended November 30, 2019 and determined whether:

- a. The disbursements were for a proper public purpose. We found no exceptions.
- b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Profit and Loss Detail Report and to the names and amounts on the supporting invoices. Supporting documentation was not provided for check number 19840 to All-Win Electric on August 10, 2019 in the amount of \$6,500 nor for check number 19860 to certain individual on August 11, 2019 in the amount of \$511.28 for a reimbursement.
- c. Based on the nature of the expenditure, the account coding is reasonable. We found no exceptions.

Sunshine Law Compliance

1. We obtained and inspected the Society's Public Records Policy to determine the policy was in accordance with Ohio Rev. Code §§ 149.43(E)(2) and 149.43(B)(7)(c) and did not limit the number of responses that may be made to a particular person, limit the number of responses during a specified period of time, or establish a fixed period of time before it will respond unless that period is less than eight hours. We found no exceptions.
2. We inquired with Society management and determined that the Society did not have any completed public records requests during the engagement period.
3. We inquired whether the Society had a records retention schedule, and observed that it was readily available to the public as required by Ohio Rev. Code § 149.43(B)(2). We found no exceptions.
4. We inspected written evidence that the Public Records Policy was provided to the records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
5. We inquired with Society management and determined that the Society did not have a policy manual during the engagement period therefore the public records policy could not be included as required by Ohio Rev. Code § 149.43(E)(2).
6. We observed that the Society's poster describing their Public Records Policy was displayed conspicuously in all branches of the Society as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
7. We inquired with Society management and determined that the Society did not have any applications for record disposal submitted to the Records Commission during the engagement period.
8. We inquired with Society management and determined that the Society did not have any elected officials subject to the Public Records Training requirements during the engagement period as required by Ohio Rev. Code §§ 149.43(E)(1) and 109.43(B).
9. We inspected the public notices for the public meetings held during the engagement period and determined the Society notified the general public and news media of when and where meetings during the engagement period were to be held as required by Ohio Rev. Code § 121.22(F). We found no exceptions.
10. We inspected the minutes of public meetings during the engagement period in accordance with Ohio Rev. Code § 121.22(C) and determined whether they were:
 - a. Prepared – a file is created following the date of the meeting
 - b. Filed – placed with similar documents in an organized manner
 - c. Maintained - retained, at a minimum, for the engagement period
 - d. Open to public inspection – available for public viewing or request.We found no exceptions.
11. We inspected the minutes from the engagement period in accordance with Ohio Rev. Code § 121.22(G) and determined the following:
 - a. Executive sessions were only held at regular or special meetings.
 - b. The purpose for the meetings and going into an executive session (when applicable) correlated with one of the matters listed in Ohio Rev. Code § 121.22(G).
 - c. Formal governing board actions were adopted in open meetings.We found no exceptions.

Other Compliance

1. Ohio Rev. Code § 117.38 requires Societies to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies, regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. We confirmed the Society filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy for the years ended November 30, 2020 and 2019 in the Hinkle system. Financial information was filed on January 30, 2021 for 2020 and October 7, 2021 for 2019, which was not within the allotted timeframe. The annual financial report for the year ended November 30, 2019 was originally filed in the Hinkle System on February 2, 2020 which was not within the allotted timeframe and was incomplete as it did not include beginning and ending fund balances on the financial statement.
2. For all credit card accounts we obtained:
 - copies of existing internal control policies,
 - a list(s) of authorized users, and
 - a list of all credit card account transactions.
 - a. We inspected the established policy obtained above and determined they are:
 - i. in compliance with the HB 312 statutory requirements, and
 - ii. implemented by the entity.We found no exceptions.
 - b. We selected 1 credit card transaction from each credit card account for testing. For selected transactions we inspected documentation to determine that:
 - i. Use was by an authorized user within the guidelines established in the policy, and
 - ii. Each transaction was supported with original invoices and for a proper public purpose.We found no exceptions.
 - c. We selected 3 credit card statements from each credit card account for testing. For selected statements we inspected documentation to determine that:
 - i. No unpaid beginning balance was carried forward to the current billing cycle,
 - ii. Ending statement balance was paid in full, and
 - iii. Statement contained no interest or late fees.We noted the following:
 - The August 2020 credit card account statement noted an unpaid beginning balance of \$391.54. This resulted in an interest charge of \$6.78 and a late fee of \$39.
 - The September 2020 credit card account statement noted an unpaid beginning balance of \$20.38. This resulted in an interest charge of \$8.26 and a late fee of \$19.

We were engaged by the Society to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the AICPA and Comptroller General of the United States' *Government Auditing Standards*. 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 the Society's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express 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 Society and to meet our ethical responsibilities, in accordance with the ethical requirements established by the Comptroller General of the United States' *Government Auditing Standards* related to our agreed upon procedures engagement.

A handwritten signature in black ink that reads "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber
Auditor of State
Columbus, Ohio

April 14, 2022

OHIO AUDITOR OF STATE KEITH FABER



ATHENS COUNTY AGRICULTURAL SOCIETY

ATHENS COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 5/5/2022

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This report is a matter of public record and is available online at
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