



bhm cpa group, inc.
CERTIFIED PUBLIC ACCOUNTANTS

MORROW COUNTY AGRICULTURAL SOCIETY
MORROW COUNTY

AGREED-UPON PROCEDURES

FOR THE YEARS ENDED NOVEMBER 30, 2022 AND 2021

One East Campus View Blvd. Suite 300 • Columbus, OH 43235 • (614) 430-0590 • FAX (614) 448-4519
PO Box 875 • 129 Pinckney Street • Circleville, OH 43113 • (740) 474-5210 • FAX (740) 474-7319
PO Box 687 • 528 S. West Street • Piketon, OH 45661 • (740) 289-4131 • FAX (740) 289-3639

www.bhmcpgroup.com

OHIO AUDITOR OF STATE
KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
IPARepor**t**@ohioauditor.gov
(800) 282-0370

Board of Directors
Morrow County Agricultural Society
PO Box 168
Mt. Gilead, OH 43338

We have reviewed the *Independent Accountant's Report on Applying Agreed-Upon Procedures* of the Morrow County Agricultural Society, Morrow County, prepared by BHM CPA Group, Inc., for the period December 1, 2020 through November 30, 2022. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Morrow County Agricultural Society is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

July 20, 2023

This page intentionally left blank.

Morrow County Agricultural Society
Morrow County
For the Years Ended November 30, 2022 and 2021
Table of Contents

<u>TITLE</u>	<u>PAGE</u>
Independent Accountant’s Report on Applying Agreed-Upon Procedures.....	1

This page intentionally left blank.



INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Morrow County Agricultural Society
Morrow County
P.O. Box 168
Mt. Gilead, Ohio 43338

We have performed the procedures enumerated below on the Morrow County Agricultural Society's (the Society) receipts, disbursements and balances recorded in the cash basis accounting records for the years ended November 30, 2022 and 2021 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, 2022 and 2021 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Society.

The Board Members 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, 2022 and 2021, and certain compliance requirements related to these transactions and balances. Additionally, the Auditor of State has agreed to and acknowledged that the procedures performed are appropriate to meet their purposes. 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 and Investments

1. We recalculated the November 30, 2022 and November 30, 2021 bank reconciliations. We found no exceptions.
2. We agreed the December 1, 2020 beginning fund balances for each fund recorded to the November 30, 2020 balances in the prior year documentation in the prior year Agreed-Upon Procedures working papers. We noted that the amounts fund balances recorded in the Society's system was \$259 greater than the balances in the prior year Agreed-Upon Procedures working papers. We also agreed the December 1, 2021 beginning fund balances for each fund recorded to the November 30, 2021 balances. We found no exceptions.

3. We agreed the 2022 and 2021 bank reconciliation Register Bank Balances as of November 30, 2022 and 2021 to the total fund cash balances reported in the General Ledger and the financial statements filed by the Society in the Hinkle System. We noted that the amounts in the 2021 bank reconciliations were \$67 lower than the balances in the financial statements filed by the Society in the Hinkle System. We also noted that the amounts in the 2022 bank reconciliations were \$422 greater than the balances in the total fund cash balances reported in the General Ledger. We also noted that the amounts in the 2022 bank reconciliations were \$401 greater than the amounts in the financial statements filed by the Society in the Hinkle System.
4. We confirmed the November 30, 2022 bank account balances with the Society's financial institution. We observed the year-end bank balances on the financial institution's website. The balances agreed. We also agreed the confirmed balances to the amounts appearing in the November 30, 2022 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) from the November 30, 2022 bank reconciliation:
 - a. We traced each debit to the subsequent December bank statement. We found no exceptions.
 - b. We traced the amounts and dates to the check register and determined the debits were dated prior to November 30. We found no exceptions.
6. We inspected investments held at November 30, 2022 and November 30, 2021 to determine that they:
 - a. Were of a type authorized by Ohio Rev. Code §§ 135.13, 135.14, 135.144 or 135.145. We found no exceptions.
 - b. Mature within the prescribed time limits noted in Ohio Rev. Code §§ 135.13 or 135.14. We found no exceptions.

Intergovernmental Cash Receipts

1. We selected a total of five receipts from the Distribution Transaction Detail Report (State DTL) and the County Auditor's DTLs from 2022 and a total of five from 2021.
 - a. We compared the amount from the above named reports to the amount recorded in the General Ledger. The amounts agreed.
 - b. We inspected the General Ledger to determine these receipts were allocated to the proper account code. We found no exceptions.
 - c. We inspected the General Ledger 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, 2022 and two days of admission/grandstand cash receipts from the year ended November 30, 2021 recorded in the General Ledger and agreed the receipt amount to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc.). The amounts agreed for the day we selected from 2021.

For August 30, 2022, the amount recorded in the receipts ledger for August 30, 2022 was \$4,892.

- a. The ticket sales recapitulation reported 862 tickets sold on that date.
- b. The admission price per ticket was \$7.
- c. Therefore the recapitulation sheet multiplied by the admission price supports admission receipts of \$6,034 for August 30, 2022, which exceeds the amount recorded by \$1,142.

For August 31, 2022, the amount recorded in the receipts ledger for August 31, 2022 was \$18,555.

- a. The ticket sales recapitulation reported 2,414 tickets sold on that date.
- b. The admission price per ticket was \$7.
- c. Therefore the recapitulation sheet multiplied by the admission price supports admission receipts of \$16,898 for August 31, 2022, which is exceeded by the amount recorded by \$1,657.

Rental Receipts

We selected 10 rental cash receipts from the year ended November 30, 2022 recorded in the duplicate cash receipts book and:

- a. Agreed the receipt amount to the amount recorded in the General Ledger. The amounts agreed.
- b. Agreed the rate charged with rates in force during the period. We found no exceptions.
- c. Inspected the General Ledger to determine whether the receipt was recorded in the proper year. We found no exceptions.

Sustaining and Entry (Purse) Receipts and Disbursements

We obtained copies of race schedules approved by the Board Members. We selected one race day from the year ended November 30, 2022 and performed the following procedures:

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

Other Receipts

We selected 10 other receipts from the year ended November 30, 2022 and 10 other receipts from the year ended November 30, 2021 and:

- a. Agreed the receipt amount recorded in the General Ledger to supporting documentation. The amounts agreed.
- b. Confirmed the amounts charged complied with rates in force during the period. We found no exceptions.
- c. Inspected the General Ledger to determine the receipt was posted to the proper funds, and was recorded in the proper year. We found no exceptions.

Debt

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of November 30, 2020.
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 2022 or 2021 or debt payment activity during 2022 or 2021. There were no new debt issuances, nor any debt payment activity during 2022 or 2021.

Payroll Cash Disbursements

1. We selected one payroll check for five employees from 2022 and one payroll check for five employees from 2021 from the Payroll Summary Report and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll Summary Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
 - b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.

2. We selected two new employees from 2022 and three new employees from 2021 and:
 - a. We inspected the employees' personnel files for the Retirement system, Federal, State & Local income tax withholding authorization.
 - b. We agreed the items in a above to the Payroll Summary Report.

We found no exceptions

3. We inspected the last remittance of tax and retirement withholdings for the year ended November 30, 2022 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 third quarter withholding period of 2022 for state and School District income taxes and the final withholding period for federal income taxes. We observed the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	December 31, 2022	November 4, 2022	\$346.13	\$346.13
State income taxes	October 31, 2022	October 13, 2022	\$294.51	\$294.51
School District tax	October 31, 2022	October 13, 2022	\$205.11	\$205.11

We found no exceptions.

Non-Payroll Cash Disbursements

1. We selected 10 disbursements from the Check Register for the year ended November 30, 2022 and 10 from the year ended November 30, 2021 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 check agreed to the check number, date, payee name and amount recorded in the Check Register and to the names and amounts on the supporting invoices. We found no exceptions.
 - c. Based on the nature of the expenditure, the account coding is reasonable. We found no exceptions.

Sunshine Law Compliance

1. We inquired with Society management and determined that the Society did not have a public records policy during the engagement period as required by Ohio Rev. Code § 149.43(E)(2).

2. We selected all public records requests from the engagement period and inspected each request to determine the following:
 - a. For the public records requests selected for testing the Society did not respond to the request in accordance with an adopted policy. See the table below.

Date Request Received	Date Request Fulfilled	Policy Response Time (in Business days)	Actual Response Time (in Business days)
6/15/2022	Within a month of request, no dated documentation by Society	N/A	N/A

- b. The Society did not have any denied public records requests during the engagement period.
 - c. The Society did not have any public records requests with redactions during the engagement period.
3. We inquired with Society management and determined that the Society did not have a records retention schedule during the engagement period and therefore could not make it readily available to the public as required by Ohio Rev. Code § 149.43(B)(2).
4. We inquired with Society management and determined that the Society did not have a public records policy during the engagement period therefore could not provide it to the records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2).
5. We inquired with Society management and determined that the Society did not have a public records policy during the engagement period therefore it could not be included in a policy manual as required by Ohio Rev. Code § 149.43(E)(2).
6. We inquired with Society management and determined that the Society did not have a public records policy during the engagement period therefore it could not be displayed in all the branches of the Society as required by Ohio Rev. Code § 149.43(E)(2).
7. We did not select any applications submitted to the Records Commission for one-time disposal of obsolete records, and management's review of the schedules of records retention and dispositions for the engagement period. The Society is not subject to the Ohio Rev. Code records authority. Therefore, this step is not applicable and applications were not inspected or inquired about.
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 Entity filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy within the allotted timeframe for the years ended November 30, 2022 and 2021 in the Hinkle system. Financial information for 2022 was filed on March 23, 2023, which was not within the allotted timeframe.

Related Party Transactions

1. We inquired with management and identified the following Related Party Transactions:
 - a. Board member Tim Weiler and Secretary/Treasurer Mary Weiler are spouses. Tim Weiler abstains from any vote regarding employment and any other issues regarding Mary Weiler. Tim Weiler resigned from the board in April of 2022 and Mary Weiler resigned as Secretary/Treasurer in December of 2021.
 - b. Board members Kyle Hack and Tim Brake are employed by a family business, Tidy Tim's, that provides portable restrooms for activities on the fair grounds. The Society paid \$6,152 to the company in 2022.
 - c. Board member Amanda Bush is employed by Farm Bureau from which the Society purchased an ad in their summer publication. The Society paid \$125 to the company in 2022.

We found no exceptions.

2. We confirmed the transactions with the other party. We found no exceptions.
3. We obtained supporting evidence for the Related Party Transactions identified in procedure 1. We found no exceptions.

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 "BHM CPA Group". The letters are cursive and somewhat stylized.

BHM CPA Group, Inc.
Piketon, Ohio
May 29, 2023

This page intentionally left blank.

OHIO AUDITOR OF STATE KEITH FABER



MORROW COUNTY AGRICULTURAL SOCIETY

MORROW 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 8/1/2023

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov