



OHIO AUDITOR OF STATE
KEITH FABER



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65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Champaign County Agricultural Society
Champaign County
384 Park Avenue
PO Box 38157
Urbana, Ohio 43078

We have performed the procedures enumerated below on the Champaign County Agricultural Society's (the Society) receipts, disbursements and balances recorded in the cash basis accounting records for the fiscal years ended November 30, 2023 and 2022 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 fiscal years ended November 30, 2023 and 2022 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Society.

The Board of Directors 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 fiscal years ended November 30, 2023 and 2022, 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, 2023 and November 30, 2022 bank reconciliations. We found no exceptions.
2. We agreed the December 1, 2021 beginning fund balances recorded in the General Ledger to the November 30, 2021 balances in the prior year Agreed-Upon Procedures working papers. We noted an exception of \$4,546, as the December 1, 2021 balance per the Society's General Ledger was more than that identified in the prior year Agreed-Upon Procedures working papers. We also agreed the December 1, 2022 beginning fund balances for each fund recorded to the November 30, 2022 balances. We found no exceptions.

Cash (Continued)

3. We agreed the 2023 and 2022 bank reconciliation as of November 30, 2023 and 2022 to the total fund cash balances reported in the General Ledger and the financial statements filed by the Society in the Hinkle System. In 2023, we noted variances in total fund balances of \$8,961 between the General Ledger and the Reconciliation and \$176 between the Financial Statements and Reconciliation. In 2022, we noted a variance in total fund balance of \$142 between the Financial Statements and Reconciliation. A reconciliation was not completed for the following savings accounts: Sheep Pens Fund, Swine Building Fund, Goat Pens Fund, Horse Maintenance Fund, Aaron Shaffer Mark Goddard Memorial Fund, and Matthew Calland Memorial Fund; therefore, we could not agree the amounts.
4. We confirmed the November 30, 2023, bank account balances with the Society's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the November 30, 2023 bank reconciliation without exception.
5. We selected 5 reconciling debits (such as outstanding checks) from the November 30, 2023 bank reconciliation:
 - a. We traced each debit to the subsequent December bank statements. 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 selected 5 reconciling credits (such as deposits in transit) from the November 30, 2023 bank reconciliation:
 - a. We traced each credit to the subsequent December or January bank statement or financial institutions website transaction listing. The reconciling credits could not be agreed to the subsequent bank statements or financial institutions website transaction listing.
 - b. We agreed the credit amounts to the General Ledger and determined they were dated prior to November 30. The credit amounts could not be agreed to the General Ledger and we could not determine if they were dated prior to November 30 as the amounts were posted in previous fiscal years.

Other Confirmable Cash Receipts

1. We confirmed the total amount paid from the Ohio Harness Horsemen's Association during the fiscal year ending November 30, 2023, and 2022 with the Ohio Harness Horsemen's Association. We found no exceptions.
 - a. We inspected the General Ledger to determine whether these receipts were allocated to the proper account codes. We found no exceptions.
 - b. 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 2 days of admission/grandstand cash receipts from the fiscal year ended November 30, 2023 and 2 days of admission/grandstand cash receipts from the fiscal year ended November 30, 2022 recorded in the General Ledger and agreed the receipt amount to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc.). The admission/grandstand cash receipts from 2023 and 2022 did not have any supporting documentation (ticket recapitulation sheets/cash register tapes, etc.). Thus, we were unable to verify the amounts recorded within the General Ledger for the selected dates.

Rental Receipts

We selected 10 rental cash receipts from the fiscal year ended November 30, 2023 and 10 rental cash receipts from the fiscal 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 noted two instances in 2022 and three instances in 2023 in which supporting documentation was not maintained for the rate charged for rentals; therefore, we were unable to verify the rate charged was correct.
- 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 of Directors. We selected 1 race day from the fiscal year ended November 30, 2023 and 1 race day from the fiscal year ended November 30, 2022 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 cash receipts ledger 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 cash disbursements ledger reported wagering disbursements for the authorized dates.

Other Receipts

We selected 10 other receipts from the fiscal year ended November 30, 2023 and 10 other receipts from the fiscal year ended November 30, 2022 and:

- a. Agreed the receipt amount recorded in the General Ledger to supporting documentation. In 2023, we noted one receipt for which the supporting documentation did not include an amount; thus, we were unable to agree to the General Ledger.
- b. Inspected the General Ledger to determine the receipt was posted to the proper fund and was recorded in the proper year. We found no exceptions.

Debt

- 1. From the prior agreed-upon procedures documentation, we observed the following loans outstanding as of November 30, 2021.
 - a. These amounts agreed to the Society's December 1, 2021 balances on the summary we used in procedure 3.
 - b. We inspected the debt's final offering document for all outstanding debt, and we confirmed the Society does not have any debt covenants or the debt covenants did not have requirements that failing to follow the terms indicates possible outcome modification of the debt terms.

Issue	Principal outstanding as of November 30, 2021:
Grandstand Loan	\$129,500
Camping Improvement Loan	\$30,106
Maintenance Building Loan	\$62,000
New Race Barn Loan	\$135,549

Debt (Continued)

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 2023 or 2022 or debt payment activity during 2023 or 2022. All debt agreed to the summary we used in procedure 3.
3. We obtained a summary of debt service payments including mortgage debt and loan/credit agreements permitted by Ohio Rev. Code § 1711.13 owed during 2023 and 2022 and agreed these payments from the General Ledger to the related debt invoices. We also compared the date the debt service payments were due to the date the Society made the payments. We noted 3 exceptions in 2022 and 4 exceptions in 2023 in which the debt service payment was not made on or prior to the due date.
4. We agreed the amount of debt proceeds received for 2023 from the debt documents to amounts recorded in the Receipt Ledger. The amounts agreed.
5. For new debt the Peoples Savings Bank issued on behalf of the Society during 2023, we inspected the debt legislation and resolution, the Society must use the proceeds for renovations to the Rabbit Barn. We inspected the expenditure ledger and observed the Society paid for gutter repair and concrete flooring for the Rabbit Barn in August 2023. We found no exceptions.
6. We inquired of management, inspected the receipt ledger, and the prior agreed-upon procedures report to determine whether the Society had a loan or credit agreements outstanding from a prior year or obtained a loan or credit line in 2022 as permitted by Ohio Rev. Code §1711.13(B). We recalculated the Society's computation supporting that the total annual payments for debt obligations from loans and credit did not exceed twenty-five percent of its prior three-year average of annual revenues. We found no exceptions.

Payroll Cash Disbursements

1. We selected 1 payroll check for 5 employees from 2023 and 1 payroll check for 5 employees from 2022 from the General Ledger and:
 - a. We compared the hours and pay rate, or salary recorded in the General Ledger to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We noted 5 employees in 2022 and 3 employees in 2023 for which the Society did not maintain an approved rate of pay support; therefore, we were unable to recalculate the employees' pay for the payroll checks selected. Furthermore, in 2023, we noted a variance of \$14.56 for one employee's pay recalculation.
2. We selected 3 new employees and Board of Directors from 2023 and 3 new employees and Board of Directors from 2022 and:
 - a. We inspected the employees'/ Board of Directors personnel files and/or minute record for the Retirement system, Federal, State & Local income tax withholding authorization.
 - b. We agreed the items in a above to the Employee's Paycheck.We found the employees did not have withholding authorization forms; therefore, we were unable to perform these procedures.
3. We inspected the last remittance of tax and retirement withholdings for the fiscal year ended November 30, 2023 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 2023. We observed the following:

Payroll Cash Disbursements (Continued)

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)	January 31, 2024	1/3/2024	\$1,383.70	\$1,383.70
State income taxes	January 15, 2024	1/5/2024	\$338.97	\$338.97
Local income tax	January 15, 2024	1/11/2024	\$298.81	\$298.81

We found no exceptions.

Non-Payroll Cash Disbursements

1. We selected 10 disbursements from the General Ledger for the fiscal year ended November 30, 2023 and 10 from the fiscal year ended November 30, 2022 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 General Ledger 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 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. The Society did not have any denied public records requests during the engagement period. The Society did not have any public records requests with redactions 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 inquired 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.

Sunshine Law Compliance (Continued)

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 Society filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy within the allotted timeframe for the fiscal years ended November 30, 2023 and 2022 in the Hinkle system. We found no exceptions.

Related Party Transactions

1. We inquired with management and identified the following Related Party Transactions:
 - a. Bart Ward, Champaign County Agricultural Society Board MemberWe 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.



Keith Faber
Auditor of State
Columbus, Ohio

August 27, 2024

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OHIO AUDITOR OF STATE KEITH FABER



CHAMPAIGN COUNTY AGRICULTURAL SOCIETY

CHAMPAIGN 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 9/10/2024

65 East State 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
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