



OHIO AUDITOR OF STATE
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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Richwood Independent Agricultural Society
Union County
1 Gill Street
P.O. Box 71
Richwood, Ohio 43344

We have performed the procedures enumerated below on the Richwood Independent Agricultural Society's (the Society) receipts, disbursements and balances recorded in the cash basis accounting records for the years ended November 30, 2021 and 2020 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, 2021 and 2020 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 years ended November 30, 2021 and 2020, 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, 2021 and November 30, 2020 bank reconciliations. We found no exceptions.
2. We noted the December 1, 2019 beginning fund balance recorded in the 2020 Hinkle System report was \$18,603 less than the November 30, 2019 balance in the documentation in the prior year Agreed-Upon Procedures working papers. We noted the \$18,593 horse arena account and \$10 savings account bank balances were improperly excluded from the 2020 Hinkle System report.

We agreed the December 1, 2020 beginning fund balance recorded in the 2021 Hinkle System report to the November 30, 2020 balance recorded in the 2020 Hinkle System report. We found no exceptions.

3. We agreed the 2021 bank reconciliation balance as of November 30, 2021 to the total fund cash balance reported in the Register Report and the financial statements filed by the Society in the Hinkle System. The amounts agreed.

We noted the 2020 bank reconciliation balance as of November 30, 2020 agreed to the financial statements filed in the Hinkle System, but was \$1,028 less than the total fund cash balance reported in the Register Report. We noted the \$1,018 horse arena account and \$10 savings account bank balances were improperly excluded from the November 30, 2020 bank reconciliation balance.

4. We observed the November 30, 2021 bank account balances on the financial institution's website. The balances agreed. We also agreed the confirmed balances to the amounts appearing in the November 30, 2021 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) from the November 30, 2021 bank reconciliation:
 - a. We traced one debit to the subsequent January bank statement. We noted the remaining four debits did not clear the bank statement as of January 31, 2022.
 - 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.

Intergovernmental and Other Confirmable Cash Receipts

1. We selected a total of five receipts from the Distribution Transaction Detail Report (State DTL) and the Union County Check Register Report from 2021.
 - a. We compared the amount from the above named reports to the amount recorded in the Register Report. The amounts agreed.
 - b. We inspected the Register Report to determine these receipts were allocated to the proper account codes. We found no exceptions.
 - c. We inspected the Register Report to determine whether the receipts were recorded in the proper year. We found no exceptions.
2. We confirmed the individual amount paid from Ohio Department of Agricultural during the year ending November 30, 2021 with the Ohio Department of Agricultural grant agreement. We found no exceptions.
 - a. We inspected the Register Report to determine whether the receipt was allocated to the proper account code. We found no exceptions.
 - b. We inspected the Register Report to determine whether the receipt was 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, 2021 recorded in the Register Report and agreed the receipt amount to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc.). The amounts agreed.

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, 2021 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 year ended November 30, 2021 and 10 other receipts from the year ended November 30, 2020 and:

- a. Agreed the receipt amount recorded in the Register Report to supporting documentation. The amounts agreed.
- b. Inspected the Register Report 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 note outstanding as of November 30, 2019. This amount agreed to the Society's December 1, 2019 balance on the summary we used in procedure 3.

Issue	Principal outstanding as of November 30, 2019:
2015 Promissory Note	\$ 43,606

- 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 2021 or 2020 or debt payment activity during 2021 or 2020. All debt agreed to the summary we used in procedure 3.
- 3. We obtained a summary of debt service payments owed during 2021 and 2020 and agreed these payments from the Register Report to the related debt payment schedule. We also compared the date the debt service payments were due to the date the Society made the payments. We found no exceptions.

Non-Payroll Cash Disbursements

- 1. We selected 10 disbursements from the Register Report for the year ended November 30, 2021 and 10 from the year ended November 30, 2020 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 Register Report and to the names and amounts on the supporting invoices. We noted one instance in which the check number in the Register Report did not agree to the canceled check. Check number 36707 as recorded in the 2020 Register Report cleared the bank as canceled check number 36706.
 - 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 inquired with Society management and determined that the Society did not have any completed public records requests, denied public records requests, or 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 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 years ended November 30, 2021 and 2020 in the Hinkle system. 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

October 20, 2022

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OHIO AUDITOR OF STATE KEITH FABER



RICHWOOD INDEPENDENT AGRICULTURAL SOCIETY

UNION 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 11/10/2022

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