



OHIO AUDITOR OF STATE
KEITH FABER



OHIO AUDITOR OF STATE KEITH FABER



101 Central Plaza South
700 Chase Tower
Canton, Ohio 44702-1509
(330) 438-0617 or (800) 443-9272
EastRegion@ohioauditor.gov

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Trumbull County Agricultural Society
899 Everett-hull Road
Cortland, Ohio 44410

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of Trumbull County Agricultural Society (the Society), on the receipts, disbursements and balances recorded in the Society's cash basis accounting records for the years ended November 30, 2019 and 2018 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, 2019 and 2018 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Society. The sufficiency of the procedures is solely the responsibility of the parties specified in this 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.

This report only describes exceptions exceeding \$10.

Cash and Investments

1. We recalculated the November 30, 2019 and November 30, 2018 bank reconciliations. We found no exceptions.
2. We agreed the December 1, 2017 beginning fund balances recorded to the November 30, 2017 balances in the prior year audited statements. We found no exceptions. We also agreed the December 1, 2018 beginning fund balances recorded to the November 30, 2018 balances. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the November 30, 2019 and 2018 fund cash balance reported in the Account Reconciliation Report and the financial statements filed by the Society in the Hinkle System. The amounts agreed.
4. We confirmed the November 30, 2019 bank account balances with the Society's financial institutions. We found there was a variance of \$1,091.76 due to unposted interest for the Agricultural Society's Certificate of Deposit. We also agreed the confirmed balances to the amounts appearing in the November 30, 2019 bank reconciliation without exception other than the Certificate of Deposit variance.
5. We selected five reconciling debits (such as outstanding checks) from the November 30, 2019 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, to determine the debits were dated prior to November 30. There were no exceptions.

6. We inspected investments held at November 30, 2019 and November 30, 2018 to determine that they:
 - a. Were of a type authorized by Ohio Rev. Code Sections 135.13, 135.14 or 135.144. We found no exceptions.
 - b. Mature within the prescribed time limits noted in Ohio Rev. Code Section 135.13 or 135.14. There were no exceptions.

Admission/Grandstand Receipts

We selected one day of admission/grandstand cash receipts from the year ended November 30, 2019 and one day of admission/grandstand cash receipts from the year ended November 30, 2018 recorded in the General Ledger and agreed the receipt amount to the supporting documentation (ticket recapitulation sheets). The amounts agreed.

Debt

1. From the prior audit documentation, we observed the following loans outstanding as of November 30, 2017. These amounts agreed to the Societies December 1, 2017 balances on the summary we used in procedure 3.

Issue	Principal outstanding as of November 30, 2017:
Restroom Loan – No Interest	\$ 60,000
Restroom Loan	100,000
John Deere Loan	8,093.34

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 2019 or 2018 or debt payment activity during 2019 or 2018. We noted a \$45,000 loan from the County in 2018 for a pavilion project that was paid off in 2018 that was not included as part of the debt footnote for 2018. All other debt agreed to the summary we used in procedure 3.
3. We obtained a summary of debt service payments owed during 2019 and 2018 and agreed these payments from the General Ledger to the related debt amortization schedule. We also compared the date the debt service payments were due to the date the Society made the payments. We found one payment in 2019 that was paid two days late. We found no other exceptions.
4. We inquired of management, inspected the receipt ledger, and the prior audit report to determine whether the Society had a loan or credit agreement outstanding from a prior year as permitted by Ohio Rev. Code Section 1711.13(B). We recalculated the Society's computation supporting that the total net indebtedness from loans and credit did not exceed twenty-five percent of its annual revenues. We found no exceptions.

Payroll Cash Disbursements

1. We selected one payroll check for five employees from 2019 and one payroll check for five employees from 2018 from the Payroll Tax Report and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll Tax 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 inspected the last remittance of tax and retirement withholdings for the year ended November 30, 2019 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 2019. 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)	January 31, 2020	December 5, 2019	505.80	505.80
State income taxes	January 15, 2020	December 6, 2019	248.78	248.78

Non-Payroll Cash Disbursements

1. We selected 10 disbursements from the General Ledger Report for the year ended November 30, 2019 and 10 from the year ended November 30, 2018 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 Report and to the names and amounts on the supporting invoices. We found one exception in 2019 where the check number on the cancelled check did not match the check number in the General Ledger Report. We found one exception in 2018 where there was no supporting invoice for a \$250 payment made.
 - 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 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 with Society management and determined that the Society did not have any denied public records requests during the engagement period.
4. We inquired with Society management and determined that the Society did not have any public records requests with redactions during the engagement period.
5. We inquired whether the Society has a records retention policy and if that policy is readily available to the public. We found no exceptions.
6. We inspected written evidence that the Public Records Policy was provided to the records custodian/manager. We found no exceptions.
7. We inspected the Society's policy manual and determined the public records policy was included. We found no exceptions.

8. We inquired whether 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.
9. 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.
10. 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.
11. 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 are to be held in the yearly fair book. Per inquiry, special meetings are put in the newspaper, and dates of meetings are posted on the front door of the Society's office. We found no exceptions.
12. We inspected the minutes of public meetings during the engagement period 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.
13. We inspected the minutes from the engagement period 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 Section 121.22(G).
 - c. Formal governing board actions were adopted in open meetings.We found no exceptions.

Other Compliance

1. Ohio Rev. Code Section 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, 2019 and 2018 in the Hinkle system. There were no exceptions.
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 it is:
 - i. in compliance with the HB 312 statutory requirements, and
 - ii. implemented by the entity.We found the credit card policy that the Society has does not apply to the types of credit cards that they use.

- 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 two exceptions where the use of the credit card was not by an authorized user. We found three exceptions where there was no indication of who the user of the credit card was.

- 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 found one exception where a balance was carried forward to the subsequent billing cycle of \$1,051.48. No late fee was incurred.

- d. For cash withdraws made. We selected 1 cash withdraw and inspected supporting documentation to determine:
- i. The policy explicitly allowed for cash withdraws and when related legislative or administrative action was passed.
 - ii. Appropriate and specific additional controls were implemented for cash withdraw transactions.

We found no exceptions.

This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination, or review, 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.

This report is to provide 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, 2019 and 2018, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.



Keith Faber
Auditor of State

Columbus, Ohio

July 6, 2020

This page intentionally left blank.

OHIO AUDITOR OF STATE KEITH FABER



TRUMBULL COUNTY AGRICULTURAL SOCIETY

TRUMBULL COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 16, 2020**