



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Belmont County Agricultural Society  
Belmont County  
45420 Roscoe Road  
P.O. Box 704  
St. Clairsville, Ohio 43950

We have performed the procedures enumerated below on the Belmont County Agricultural Society's (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 cash balances recorded to the November 30, 2018 balances in the documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the December 1, 2019 beginning cash balances recorded to the November 30, 2019 balances. We found the following variances:
  - A \$70 variance when comparing the November 30, 2019 ending cash balance per the financial statements filed by the Society in the Hinkle System to the December 1, 2019 beginning cash balance per the Society's General Ledger;
  - A \$3,871 variance when comparing the November 30, 2019 ending cash balance per the financial statements filed by the Society in the Hinkle System to the December 1, 2019 beginning cash balance per the financial statements filed by the Society in the Hinkle System.

### **Cash (Continued)**

3. We agreed the totals per the bank reconciliations to the total of the November 30, 2020 and 2019 cash balance reported in the General Ledger and the financial statements filed by the Society in the Hinkle System. The amounts agreed when comparing the bank reconciliations to the General Ledger. However, we found the following exceptions:
  - A \$4,882 variance when comparing the totals per the bank reconciliations to the total of the November 30, 2020 cash balance reported in the financial statements filed by the Society in the Hinkle System;
  - A \$71 variance when comparing the totals per the bank reconciliations to the total of the November 30, 2019 cash balance reported in the financial statements filed by the Society in the Hinkle System;
4. We confirmed the November 30, 2020 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, 2020 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) from the November 30, 2020 bank reconciliation:
  - We traced each debit to the subsequent December bank statement. Except three reconciling debits did not yet clear the bank as they were still outstanding and were included on the most recent bank reconciliation.
  - We traced the amounts and dates to the check register and determined the debits were dated prior to November 30. There were no exceptions.
6. We inspected investments held at November 30, 2020 and November 30, 2019 to determine that they:
  - Were of a type authorized by Ohio Rev. Code §§ 135.13, 135.14 or 135.144. We found no exceptions.
  - Mature within the prescribed time limits noted in Ohio Rev. Code §§ 135.13 or 135.14. There were 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 Belmont County Auditor's Check History Register Report from 2020 and all four from 2019.
  - 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 codes. We found the Society incorrectly allocated a receipt in 2020 of \$50,000 from the State of Ohio as Donations and Contributions rather than State Support. We found no other exceptions.
  - c. We inspected the General Ledger to determine whether the receipts were recorded in the proper year. We found no exceptions.
2. We confirmed the \$50,000 from Ohio Department of Agriculture during the year ending November 30, 2020 via the Ohio Online Checkbook. We found no exceptions.
  - a. We inspected the General Ledger to determine whether these receipt was allocated to the proper account code. We found the Society incorrectly allocated the receipt as Donations and Contributions rather than State Support. We found no other exceptions.
  - b. We inspected the General Ledger 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, 2019 recorded in the General Ledger and agreed the receipt amount to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc.). The amounts agreed.

### **Rental Receipts**

We selected 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 General Ledger. The amounts agreed.
- b. Agreed the rate charged with rates in force during the period. We found two receipts for winter storage totaling \$18,164 that did not contain sufficient information (i.e. total linear feet or a description of the item being stored) to determine if the total amount charged was accurate.
- c. Inspected the General Ledger to determine whether the receipt was recorded in the proper year. We found no exceptions.

### **Other Receipts**

We selected 10 other receipts from the year ended November 30, 2020 and 10 other receipts from the year ended November 30, 2019 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 fund 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, 2018.
2. 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 Payroll Item Detail Report and:
  - a. We compared the hours and pay rate, or salary recorded in the Payroll Item Detail Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary).
    - i. We inspected the employees' personnel files for the Federal and State income tax withholding authorization.
    - ii. We agreed these items to the information used to compute gross and net pay related to this check.

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:

**Payroll Cash Disbursements (Continued)**

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	December 31, 2020	December 31, 2020	\$2,527	\$2,527
State income taxes	January 31, 2021	December 24, 2020	\$156	\$156

**Non-Payroll Cash Disbursements**

1. We selected 10 disbursements from the General Ledger 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 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 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 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 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.

### Sunshine Law Compliance (Continued)

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, 2020 and 2019 in the Hinkle system. There were no exceptions.
2. For all credit card accounts we obtained:
  - copies of existing internal control policies,
  - a list 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 Society's credit card policy was not adopted in compliance with the HB 312 statutory requirements as all required elements were omitted.
  - b. We selected 1 credit card transaction from each credit card account for testing. For selected transactions we inspected documentation to determine that:
    - i. Each transaction was supported with original invoices and for a proper public purpose.We found no exceptions.

**Other Compliance (Continued)**

- 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 no exceptions.

**Related Party Transactions**

1. We inquired with management and identified the following Related Party Transactions:
  - a. Board member, David Jones (owner of David Jones Auctions) was paid \$4,101 for items purchased at auctions.
2. We confirmed the transactions with their respective check images and supporting documentation in voucher packets. We found no exceptions.
3. We obtained supporting evidence for the Related Party Transactions noted 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

December 9, 2021



# OHIO AUDITOR OF STATE KEITH FABER



**BELMONT COUNTY AGRICULTURAL SOCIETY**

**BELMONT 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 12/23/2021**

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This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)