



OHIO AUDITOR OF STATE
KEITH FABER



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Muskingum County Convention Facilities Authority
Muskingum County
205 North Fifth Street
Zanesville, Ohio 43701

We have performed the procedures enumerated below, which were agreed to by the Board of Directors and the management of Muskingum County Convention Facilities Authority, Muskingum County, Ohio (the Authority), on the receipts, disbursements and balances recorded in the Authority's cash basis accounting records for the years ended December 31, 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 Authority. The Authority is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2020 and 2019 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Authority. 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 December 31, 2020 and December 31, 2019 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2019 beginning fund balances recorded in the Balance Sheet Report to the December 31, 2018 balances in the prior year documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2020 beginning fund balances recorded in the Balance Sheet Report to the December 31, 2019 balances in the Balance Sheet Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2020 and 2019 fund cash balances reported in the Balance Sheet Report and the financial statements filed by the Authority in the Hinkle System. The amounts agreed.
4. We confirmed the December 31, 2020 bank account balances with the Authority's financial institutions. We found no exceptions. The balances agreed. We also agreed the confirmed balances to the amounts appearing in the December 31, 2020 bank reconciliation without exception.
5. We selected all reconciling debits (such as outstanding checks) from the December 31, 2020 bank reconciliation:
 - a. We traced each debit to the subsequent January 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 December 31. There were no exceptions.

Cash and Investments (Continued)

6. We inspected investments held at December 31, 2020 and December 31, 2019 to determine that they were of a type authorized by Ohio Rev. Code § 351.20. We found no exceptions.

Lodging Excise Tax Receipts

1. We haphazardly selected one Monthly Lodging Excise Tax return bed tax for each of the area hotels/motels during 2020 and 2019. For each receipt selected:
 - a. We compared the payment amount recorded on the tax return to the amount recorded in the Transaction Detail Account. The amounts agreed. We found no exceptions.
 - b. We recomputed the lodging tax due based on the approved rate. We found no exceptions.
 - c. We inspected the Transaction Detail Account to confirm whether the receipt was allocated to the proper fund. We found no exceptions.
 - d. We inspected the Transaction Detail Account to confirm whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
 - e. We compared the receipt total from procedure a. to the amount recorded as income tax receipts in the Transaction Detail Account for that date. The amounts agreed. We found no exceptions.
2. We inspected the Transaction Detail Account to determine whether it included twelve bed tax receipts for each hotel/motel for 2020 and 2019. The Transaction Detail Account included the proper number of bed tax receipts for each year. We found no exceptions.

Other Receipts

We selected 10 other receipts from the year ended December 31, 2019 and 10 and:

- a. Agreed the receipt amount recorded in the Transaction Detail Account 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 Transaction Detail Account 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 December 31, 2018.
2. We inquired of management, and inspected the Transaction Detail Account Report for evidence of debt issued during 2020 or 2019 or debt payment activity during 2020 or 2019. 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 all employees from 2020 and one payroll check for five employees from 2019 from the Transaction Detail Account Report and:
 - a. We compared the hours and pay rate, or salary recorded in the Transaction Detail Account 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 Transaction Detail Account. We found no exceptions.

Payroll Cash Disbursements (Continued)

- c. We inspected the fund and account code to which the check was posted to determine the posting was reasonable based on the employees' duties as documented in the employees' personnel files and minute record. We found no exceptions.
 - d. We also confirmed the payment was posted to the proper year. We found no exceptions.
2. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2020 to confirm remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2020. We found 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, 2021	January 7, 2021	\$1,311	\$1,311
State income taxes	January 15, 2021	January 6, 2021	\$186	\$186
Local income tax	January 31, 2021	January 12, 2021	\$258	\$258

Non-Payroll Cash Disbursements

We selected 10 disbursements from the Transaction Detail Account for the year ended December 31, 2020 and 10 from the year ended 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 Transaction Detail Account and to the names and amounts on the supporting invoices. We found no exceptions.
- c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.

Sunshine Law Compliance

- 1. We obtained and inspected the Authority'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 Authority management and determined that the Authority did not have any completed or denied public records requests during the engagement period.
- 3. We inquired whether the Authority 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.

Sunshine Law Compliance (Continued)

5. We inspected the Authority's policy manual and determined the public records policy was included as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
6. We observed that the Authority's poster describing their Public Records Policy was displayed conspicuously in all branches of the Authority as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
7. We inquired with Authority management and determined that the Authority did not have any applications for record disposal submitted to the Records Commission during the engagement period.
8. We inquired with Authority management and determined that the Authority 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 Authority 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 authorities 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 Authority 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 December 31, 2020 and 2019 in the Hinkle system. There were no exceptions.

Other Compliance

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 no exceptions.
- 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 no exceptions.
- 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.

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 Authority'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 Authority's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2020 and 2019, 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

April 19, 2021

OHIO AUDITOR OF STATE KEITH FABER



MUSKINGUM COUNTY CONVENTION FACILITIES AUTHORITY

MUSKINGUM 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 5/6/2021

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