

***SANDUSKY COUNTY AGRICULTURAL SOCIETY***

***SANDUSKY COUNTY, OHIO***

**AGREED UPON PROCEDURES**

**For the Years Ended November 30, 2020 and 2019**







88 East Broad Street  
Columbus, Ohio 43215  
IPAReport@ohioauditor.gov  
(800) 282-0370

Board of Trustees  
Sandusky County Agricultural Society  
712 North Street, Suite 101  
Fremont, Ohio 43420

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Sandusky County Agricultural Society, prepared by Charles E. Harris & Associates, Inc., for the period December 1, 2019 through November 30, 2020. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Sandusky County Agricultural Society is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

**June 11, 2021**

**This page intentionally left blank.**

**SANDUSKY COUNTY AGRICULTURAL SOCIETY  
SANDUSKY COUNTY  
Agreed Upon Procedures  
For the Years Ended November 30, 2020 and 2019**

**TABLE OF CONTENTS**

<b><u>Title</u></b>	<b><u>Page</u></b>
Independent Accountants' Report on Applying Agreed-Upon Procedures	1

**This page intentionally left blank.**

***Charles E. Harris & Associates, Inc.***

*Certified Public Accountants*

---

**INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES**

Sandusky County Agricultural Society  
Sandusky County  
712 North Street, Suite 101  
Fremont, Ohio 43420

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of Sandusky County Agricultural Society (the Society) and the Auditor of State, on the receipts, disbursements and balances recorded in the Society's 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 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, 2020 and November 30, 2019 bank reconciliations. We found no exceptions.
2. We agreed the December 1, 2018 beginning fund 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 fund balances recorded to the November 30, 2019 balances. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the November 30, 2020 and 2019 fund cash balance reported in the accounting records and the financial statements filed by the Society in the Hinkle System. The amounts agreed.
4. We observed the year-end bank balances on the financial institution's website. The balance agreed. We also agreed the 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:
  - 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. There were no exceptions.
6. We selected the only reconciling credit (such as deposits in transit) from the November 30, 2020 bank reconciliation:
  - a. We traced the credit to the subsequent December bank statement. We found no exceptions.
  - b. We agreed the credit amounts to the Receipts Register and determined they were dated prior to November 30. We found no exceptions.

7. We inspected investments held at November 30, 2020 and November 30, 2019 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.

### **Intergovernmental and Other Confirmable Cash Receipts**

1. We selected all four receipts from the Distribution Transaction Detail Report (State DTL) and the County Auditor's DTLs from 2020 and all three from 2019.
  - a. We compared the amount from the above-named reports to the amount recorded in the Receipt Ledger. The amounts agreed.
  - b. We inspected the Receipt Ledger to determine these receipts were allocated to the proper account codes. We found no exceptions.
  - c. We inspected the Receipt Ledger to determine whether the receipts were recorded in the proper year. We found no exceptions.

### **Admission/Grandstand**

We selected two days of admission/grandstand cash receipts from the year ended November 30, 2019 and recorded in the Receipt Ledger and agreed the receipt amount to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc.). The amounts agreed.

The 2020 admission/grandstand receipts in 2020 did not exceed 10% of all fund's receipts, therefore the procedure was omitted for the year ending November 30, 2020.

### **Privilege Fee Receipts**

We selected 10 privilege fee cash receipts from the year ended November 30, 2020 and 10 privilege fee 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 Receipt Ledger. The amounts agreed.
- b. Agreed the rate charged with rates in force during the period. We found no exceptions.
- c. Inspected the Receipt Ledger to determine whether the receipt was recorded in the proper year. We found no exceptions.

### **Rental Receipts**

We selected 10 rental cash receipts from the year ended November 30, 2020 and 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 Receipt Ledger. The amounts agreed.
- b. Agreed the rate charged with rates in force during the period. We found no exceptions.
- c. Inspected the Receipt 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 Receipt 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 Receipt 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 agreed-upon procedures documentation, we observed the following line of credit outstanding as of November 30, 2018. This amount agreed to the Society's December 1, 2018 balances on the summary we used in procedure 3.

Issue	Principal outstanding as of November 30, 2018:
Line of Credit	\$30,000

2. We inquired of management, and inspected the receipt and expenditure records for evidence of loan or credit agreements issued during 2020 and 2019 and debt payment activity during 2020 or 2019. The debt agreed to the summary we used in procedure 3.
3. We obtained a summary of debt service payments, including loan/credit agreements permitted by Ohio Rev. Code Section 1711.13 owed during 2020 and 2019 and agreed these payments from the Expenditure 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 no exceptions.
4. We agreed the amount of debt proceeds from the line of credit documents to amounts recorded in the Receipt Ledger. The amounts agreed. The Society also received a Paycheck Protection Program (PPP) Loan in 2020, which we agreed to the recording in the Receipt Ledger. This loan qualified for loan forgiveness and was approved for forgiveness by Small Business Administration (SBA) in February 2021.
5. For new debts issued during 2020 and 2019, we inspected the debt legislation, noting the Society must use the proceeds to provide capital to subsidize operations throughout the year and for paycheck protection. We inspected the expenditure ledger and observed the Society used these proceeds to subsidize operations.
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 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 2020 and one payroll check for five employees from 2019 from the Payroll Register and:
  - a. We compared the hours and pay rate, or salary recorded in the Payroll Register to supporting documentation (timecard, legislatively or statutorily-approved rate or salary).
    - i. We inspected the employees' personnel files and/or minute records for the Retirement system, Federal, State & Local 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.
  - 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, 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:

<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)	January 31, 2021	November 25, 2020	\$1,482.60	\$1,482.60
State income taxes	January 15, 2021	November 25, 2020	\$117.38	\$117.38
Local income tax	January 31, 2021	November 25, 2020	\$100.25	\$100.25

**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 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.
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 inquired with Society management and determined that the Society has not identified a public records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2).
5. We inspected the Society'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 inquired with Society management and determined that the Society kept the public records policy in the in-out policy manual but did not display it in any of its branches 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.
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 inquired how the public is notified of public meetings held during and determined that the Society uses its website to notify the general public of when and where meetings during the engagement period were to be held as required by Ohio Rev. Code § 121.22(F). We were informed that the local papers are not used for public notice as the circulation and readership is too small. This is not an exception.
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 Section 121.22(G).
  - c. Formal governing board actions were adopted in open meetings.We found no exceptions.

#### **Other Compliance**

1. We inspected the General Ledger for the Crown Battery Endowment Fund. Not more than 5% of non-spendable monies were released, spent, or otherwise modified during the engagement period. No exceptions were noted.

2. 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. The 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 the Auditor of State established policy within the allotted timeframe for the year ended November 30, 2019 in the Hinkle system. The financial information for the year ended November 30, 2020 was filed on February 1, 2021, which was not within the allotted timeframe.
  
3. 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 no exceptions.
  
  - b. We selected 3 credit card transaction from the only 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 the only 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.Of the three statements tested, two months tested in 2020 had ending statement balances not paid in full and the statements had interest fees.

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.

Sandusky County Agricultural Society  
Sandusky County  
Independent Accountants' Report on  
Applying Agreed-Upon Procedures  
Page 7

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, 2020 and 2019, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.

*Charles E. Harris Associates*

*Charles E. Harris & Associates, Inc.*  
May 28, 2021

**This page intentionally left blank.**

# OHIO AUDITOR OF STATE KEITH FABER



**SANDUSKY COUNTY AGRICULTURAL SOCIETY**

**SANDUSKY 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 6/24/2021**

88 East Broad 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  
[www.ohioauditor.gov](http://www.ohioauditor.gov)