

Agricultural Society Audit Preparation Checklist

(All items are needed for both years under audit)

(NOTE: Documentation should be written and, if applicable, should include original receipt, invoice, etc.)

1. Overall Audit

- a. Annual Reports submitted to the AOS and Department of Agriculture
- b. Summarized data from accounting system and/ or trial balance
- c. Board Minutes, including committee minutes
- d. Board Member Listing
- e. Employee Listing
- f. Approved Budget (Original and Amendments), if separate from minutes
- g. SOC Reports of service organizations (Banks & Pari-mutuel Wagering Companies, if available)
- h. Related Parties
- i. Chart of Accounts (if different from the Uniform System of Accounting for Agricultural Societies)
- j. Accounting Policies and Procedures (if different from the Uniform System of Accounting for Agricultural Societies)
- k. Human Resources Policies and Procedures (including employee benefit plan, if any)
- l. Long-Term Contracts (e.g.: Leases, debt instruments, and commitments) entered into/amended during the audit period
- m. Notes Receivable/Payable entered into during the audit period.
- n. Contingencies or Legal Action taken by or upon the Society
- o. Record Retention Policy
- p. Any significant event occurring after the audit period but before the issuance of the audit report.
- q. Illegal Acts known to the Board
- r. Insurance Coverage, including liability, property, etc.
Services provided free of charge to board members and/or employees such as use of the Society's storage facilities,
- s. payment of memberships, use of Society equipment, etc. and Board policies that authorize such services, if any.
- t. Policies concerning the personal use of Society provided cell phones, vehicles, etc.

2. Cash

- a. Cash Receipt & Disbursement Policies
Cash policies and procedures should describe who is responsible for maintaining cash receipts & disbursements, safeguards for storing cash on site, who has authorized signatories, pledged collateral requirements, process for reconciling bank statements, etc.)
- b. Bank statements for **ALL** accounts
- c. Canceled Checks
- d. Monthly bank reconciliations for the Audit Period and 2 Subsequent months
- e. Monthly Budget to Actual Comparisons
- f. Receipts (Multi-part prenumbered)
- g. Deposit Slips
- h. Petty cash records & policy
- i. Changes in authorized signatories
- j. Documentation of actual cash payments and manner in which it is accounted for such as for awards, etc.

3. Investments

- a. Investment Policies
Investment policies and procedures should describe who is responsible for managing the Society's investments, acceptable (legal) investments, etc.)
- b. Investment Summary listing all investments held during the audit period and at year end.
- c. Monthly Trustee Statements
- d. Documentation for sale & purchase of investments, including authorization, purchase & sale dates, amount, cusip #, etc.)
- e. Monthly Trustee Statement Reconciliations
- f. Original securities, if any, held by the Society.

4. Revenue (Documentation should be made available for items selected for testing)

- a. **Revenue Policies**
Revenue policies should state each person's responsibility for processing the revenue. It should also describe how each type of revenue will be treated in the financial statements. Some of the policies and procedures relate to the cash policies and procedures.
- b. **Taxes**
 - 1. Documentation from Ohio Racing Commission (Letter, etc.)
 - 2. Other Documentation supporting Tax Revenue
- c. **Admissions**
 - 1. Ticket Reconciliation Forms - including documentation of passes provided free of charge.
 - 2. Other Documentation supporting Admissions

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d. Privilege Fees

- ___ 1. Contracts with Vendors
- ___ 2. Gross Receipt Reports, if applicable for percentage fees
- ___ 3. Other Documentation supporting Privilege Fees

e. Sales During Fair

- ___ 1. Inventory Listing (Beginning and Ending)
- ___ 2. Sales Reconciliation Forms
- ___ 3. Other Documentation supporting Sales during Fair

f. Racing Fees & Charges

- ___ 1. Entry Forms
- ___ 2. Pari-mutuel Wagering Liability Reports
- ___ 3. Board of Director Approved Race Schedules
- ___ 4. Invoices to Individuals/Companies for Program Advertisements
- ___ 5. Speed Fees (Nominating & Sustaining)
- ___ 6. Documentation from the AOS for Race Bond Refunds
- ___ 7. Inventory Listing (Beginning and Ending) for blankets, etc.
- ___ 8. Reconciliation Forms for items (blankets, etc.) sold
- ___ 9. Other Documentation supporting Racing Fees & Charges

g. Sales During Other Activities

- ___ 1. Inventory Listing (Beginning and Ending)
- ___ 2. Reconciliation Forms for items (soda, etc.) sold
- ___ 3. Other Documentation supporting Sales during Other Activities

h. Utilities

- ___ 1. Invoices to Individuals/Companies for Utility Usage
- ___ 2. Contracts with Persons/Companies using utilities for an extended period of time (monthly, annually, etc.)
- ___ 3. Other Documentation supporting Utilities Revenue

i. Fees

- ___ 1. Entry Forms
- ___ 2. Membership Forms
- ___ 3. Other Documentation supporting Fees Revenue

j. Rentals

- ___ 1. Contracts with Individuals/Groups
- ___ 2. Other Documentation supporting Rental Revenue

k. State and Local Government Support

- ___ 1. Documentation from Governmental Entity providing support (Letter, etc.)
- ___ 2. Other Documentation supporting State and Local Government Support

l. Miscellaneous Restricted Support

- ___ 1. Documentation from individual/entity providing support (grant documents, letters, wills, etc.)
- ___ 2. Junior Livestock Sale Records documenting amounts received
- ___ 3. Other Documentation supporting Miscellaneous Restricted Support

m. Miscellaneous Unrestricted Support

- ___ 1. Documentation from individual/entity providing support (grant documents, letters, wills, etc.)
- ___ 2. Other Documentation supporting Miscellaneous Unrestricted Support

n. Sale of Notes

- ___ 1. Official Statement
- ___ 2. Opinions of Counsel
- ___ 3. Documentation of Liens, security interests and collateral
- ___ 4. Trustee Statements
- ___ 5. Other Legal Documents supporting the Sale of Notes

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o. Interest

- ___ 1. Bank Statements for all interest-bearing accounts

p. Dividends

- ___ 1. Monthly Trust Statements
___ 2. Check Stubs documenting name of investment and amount received.

q. Mortgage

- ___ 1. Legal Documents supporting the Mortgage, including Settlement Statement

r. Mortgage

- ___ 1. Documents supporting the Sale of Capital Assets, including release of title Invoices to Individuals/Companies for Sale of Personal Property

5. Payroll Expenditures

___ a. Payroll Policies and Procedures

Payroll Policies and Procedures should include a description of the process for hiring and terminating employees. It should also include description of the process for documenting and approving payroll charges each pay period.

___ b. Listing of all payroll expenditures

___ c. Documentation approving wages for Board Members, including Secretary, Treasurer, and Director

___ d. Documentation approving wages and hours for employees

___ e. Documentation approving the type and level of benefits for each board member and employee

___ f. Payroll Documentation for each pay period, including time cards, etc.

___ g. Other documentation to support payroll expenses - including W-2s, W-4s, etc.

6. Nonpayroll Expenditures

a. Nonpayroll Policies and Procedures

Nonpayroll Expenditure Policies and Procedures should include a description of each general type of nonpayroll expenditure and the accounting treatment for each. The policies should also include each person's responsibility for each type of expenditure including approvals.

___ b. Listing of all nonpayroll expenditures

___ c. Invoices, Purchase Orders, and Vouchers for each expenditure

___ d. Contracts for long-term leases, rentals, insurance policies, etc.

___ e. Legal documents for purchases of capital assets (Buildings, land, equipment, etc.)

___ f. Legal documents for any debt issuance, including interest rate, payment schedule and trustee fees

___ g. Other documentation to support nonpayroll expenses

DOCUMENTATION AND ORGANIZATION ARE THE KEYS TO A SUCCESSFUL AUDIT