Report of Independent Accountants

Oregon Wine Board
Oregon Secretary of State Audits Division

We have performed the procedures enumerated below, on the accounting records noted below for the Biennium ended June 30, 2025. The Oregon Wine Board (OWB or the Board) is responsible for the accounting records noted below.

The Oregon Wine Board has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting the Oregon Wine Board in complying with Oregon Revised Statute (ORS) 182.464. Additionally, the Oregon Secretary of State Audit Division has agreed to and acknowledged that the procedures performed are appropriate to meet their purposes. 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 this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures we performed, and our findings are as follows:

Receiving, Recording and Reporting Transactions

1. We obtained the following list of internal controls for receiving, recording, and reporting transactions. We agreed the list of internal controls to the Board's policies and procedures with no exceptions:

    a. All revenues received via direct deposit, ACH, or on-line credit card payments are posted into QuickBooks with accompanying documentation.

    b. Grape Assessment, Privilege Tax: All transfers for the biennium are verified by OLCC via OWB request.

    c. Grape Assessment, Privilege Tax: CFO tracks monthly deposits in a spreadsheet and verifies with quarterly P&L.

    d. Symposium Program Revenue: Accounting/Bookkeeping Contractor reconciles merchant services statement monthly (during active ticket sales). CFO reconciles final ticket sales and dollar amount from event software to merchant services deposits.

    e. The Executive Director, CFO, or appropriate Program manager emails invoices along with approval and appropriate GL Allocation to the Accounting/Bookkeeping Contractor.

    f. CFO reviews the Accounts Payable report and verifies documentation in QuickBooks.

    g. The CFO approves staff expense reports in Expensify. CFO expense reports are approved by the Executive Director. Executive Director expense reports are approved by the Board Chair.

    h. The CFO reviews and approves payroll each pay period.

i. Non-budgeted expenditures over $50,000 are approved by the Finance Committee.

2. We obtained a schedule from management of all accounting transactions from QuickBooks that occurred during the Biennium ended June 30, 2025, and haphazardly selected 10 transactions. We performed procedures over the items selected to obtain evidence that the control took place. The results of our procedures are included in the table below:

	Revenues				Expenses				
Transactions Selected	A	B	C	D	E	F	G	H	I
1	N/A	N/A	N/A	N/A	✓	✓	✓	N/A	N/A
2	N/A	N/A	N/A	N/A	✓	✓	N/A	N/A	N/A
3	N/A	N/A	N/A	N/A	✓	✓	N/A	N/A	N/A
4	N/A	N/A	N/A	N/A	✓	✓	N/A	N/A	N/A
5	N/A	N/A	N/A	N/A	✓	✓	✓	N/A	N/A
6	N/A	N/A	N/A	N/A	✓	✓	✓	N/A	N/A
7	✓	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A
8	✓	N/A	N/A	✓	N/A	N/A	N/A	N/A	N/A
9	N/A	N/A	N/A	N/A	✓	✓	✓	N/A	N/A
10	N/A	N/A	N/A	N/A	✓	✓	N/A	✓	N/A
✓	= Procedure performed without exception								
N/A	= Control not applicable for this selection								
Control A: Revenues: Noted the transaction was entered into QuickBooks and agreed transaction to accompanying documentation.									
Control B: Revenues: Inspected Tax transfer verification by OLCC.									
Control C: Revenues: Inspected the monthly deposit spreadsheet and tied revenue to approved quarterly P&L.									
Control D: Revenues: Inspected reconciliation of the merchant services statements monthly, and reconciliation of final ticket sales.									
Control E: Expenses: Inspected invoices for evidence indicating appropriate approval and GL allocation.									
Control F: Expenses: Inspected evidence of the CFO’s review of the accounts payable report.									
Control G: Expenses: Inspected expense reports and noted appropriate approval of expense reports.									
Control H: Expenses: Inspected evidence of the CFO’s review and approval of payroll.									
Control I: Expenses: Inspected evidence of Finance Committee approval of non-budgeted expenditures over $50,000.									

Cash Handling

The Oregon Wine Board did not receive cash or disburse cash during the biennium; thus, no procedures were performed over Cash Handling.

Bank Reconciliations

3. We confirmed bank balances with financial institutions that the Board uses as of June 30, 2025. We agreed the confirmations to the June 30, 2025, bank reconciliations without exception.

4. We obtained the following list of internal controls over bank reconciliations. We agreed the list of internal controls to the Board's policies and procedures without exception.

    a. The Accounting/Bookkeeping Contractor reconciles bank accounts monthly.

    b. The Accounting/Bookkeeping Contractor will review the reconciliations and investigate any checks that are outstanding over six months.

    c. Bank reconciliations are reviewed periodically by the CFO. CFO reviews bank ending balances on a quarterly basis to align with balance sheet issued with quarterly financials.

5. We obtained a list from management of all bank reconciliations for the Biennium ended June 30, 2025, and haphazardly selected 3 reconciliations. We performed procedures over the items selected to obtain evidence that the control took place. The results of our procedures are included in the table below:

Reconciliations Selected	Control A	Control B	Control C
1	✓	N/A	☒
2	✓	N/A	☒
3	✓	N/A	☒
✓	= Procedure performed without exception		
☒	= Procedure performed with exception		
N/A	= Control not applicable for this selection		
Control A: Bank Reconciliations: Inspected account reconciliations and supporting documents.			
Control B: Bank Reconciliations: Inspected evidence of review of bank reconciliation for checks outstanding over 6 months and evidence of investigation, if any noted.			
Control C: Bank Reconciliations: Inspected the bank reconciliations for evidence indicating review and approval from the CFO.			

During our testing of Control C, we were unable to obtain evidence that bank reconciliations were periodically reviewed, or at least every quarter prior to approval of the quarterly financial statements.

6. We haphazardly selected 3 reconciling items from two of the three bank reconciliations selected in Procedure 5, as one contained no reconciling items, and agreed those items to supporting documentation without exception.

Revenues

7. We obtained the following list of internal controls over revenues. We agreed the list of internal controls to the Board's policies and procedures without exception.

    a. All revenues received via direct deposit, ACH, or on-line credit card payments are posted into QuickBooks with accompanying documentation.

    b. Grape Assessment, Privilege Tax: All transfers for the biennium are verified by OLCC via OWB request.

    c. Grape Assessment, Privilege Tax: CFO tracks monthly deposits in a spreadsheet and verifies with quarterly P&L.

    d. Symposium Program Revenue: Accounting/Bookkeeping Contractor reconciles merchant services statement monthly (during active ticket sales). CFO reconciles final ticket sales and dollar amount from event software to merchant services deposits.

8. We obtained a schedule from management of revenues during the Biennium ended June 30, 2025, and haphazardly selected 10 revenue items (4 privilege tax and 6 grape assessment tax). We performed procedures over the items selected to obtain evidence that the control took place. The results of our procedures are included in the table below:

Revenues Selected	Control A	Control B	Control C	Control D
1	✓	✓	✓	N/A
2	✓	✓	✓	N/A
3	✓	✓	✓	N/A
4	✓	✓	✓	N/A
5	✓	✓	✓	N/A
6	✓	✓	✓	N/A
7	✓	✓	✓	N/A
8	✓	✓	✓	N/A
9	✓	✓	✓	N/A
10	✓	✓	✓	N/A
✓	= Procedure performed without exception			
☒	= Procedure performed with exception			
N/A	= Control not applicable for this selection			
Control A: Revenues: Noted the transaction was entered into QuickBooks and agreed transaction to accompanying documentation.				
Control B: Revenues: Inspected biennium transfer verification by OCC and tied to revenue per the financial statements.				
Control C: Revenues: Inspected the monthly deposit spreadsheet and tied revenue to approved quarterly P&L.				
Control D: Revenues: Inspected reconciliation of the merchant services statements monthly, and reconciliation of final ticket sales.				

9. We confirmed revenue received from privilege tax and grape assessment tax during the 2023 – 2025 biennium from Oregon Liquor Control Commission and agreed the confirmation to the revenues recorded during the biennium without exception.

Expenses

10. We obtained the following list of internal controls over expenses. We agreed the list of internal controls to the Board's policies and procedures without exception.

    a. The Executive Director, CFO, or appropriate Program manager emails invoices along with approval and appropriate GL Allocation to the Accounting/Bookkeeping Contractor.

    b. CFO reviews the Accounts Payable report and verifies documentation in QuickBooks.

    c. The CFO approves staff expense reports in Expensify. CFO expense reports are approved by the Executive Director. Executive Director expense reports are approved by the Board Chair.

    d. The CFO reviews and approves payroll each pay period.

    e. Non-budgeted expenditures over $50,000 are approved by the Finance Committee.

11. We obtained a schedule from management of expenses during the Biennium ended June 30, 2025, and haphazardly selected 10 expense items. We performed procedures over the items selected to determine if the internal controls identified above were followed. The results of our procedures are included in the table below:

Expenses Selected	Control A	Control B	Control C	Control D	Control E
1	✓	✓	N/A	N/A	N/A
2	✓	✓	✓	N/A	N/A
3	✓	✓	✓	N/A	N/A
4	✓	✓	N/A	N/A	N/A
5	✓	✓	✓	N/A	N/A
6	✓	✓	✓	N/A	N/A
7	✓	✓	✓	N/A	N/A
8	✓	✓	✓	N/A	N/A
9	✓	✓	✓	N/A	N/A
10	✓	✓	N/A	✓	N/A
✓	= Procedure performed without exception				
N/A	= Control not applicable for this selection				
Control A: Expenses: Inspected invoices for evidence indicating appropriate approval and GL allocation.					
Control B: Expenses: Inspected evidence of the CFO’s review of the accounts payable report.					
Control C: Expenses: Inspected expense reports and noted appropriate approval of expense reports.					
Control D: Expenses: Inspected evidence of the CFO’s review and approval of payroll.					
Control E: Expenses: Inspected evidence of Finance Committee approval of non-budgeted expenditures over $50,000.					

Budget and Board Financial Reporting

12. We compared the actual revenues and expenses for the biennium ended June 30, 2025, to the budgeted amounts and noted that total actual expenditures did not exceed the maximum budgeted expenditures in the adopted budget.

13. We reviewed the budget to actual report for the Biennium ended June 30, 2025, and identified two line-items in the budget that exceeded 10% of total revenues or expenses, and noted one of the items had a variance exceeding 10% of total revenues or expenses for the biennium. The two line-items that exceeded 10% of total revenues or expenses are as follows:

    i. Grape Assessment; actual was 26.9% greater than line budget.

    ii. Grants; actual was 10.1% less than line budget.

14. We obtained the following list of internal controls over Budgetary and Board Financial Reporting. We agreed the list of internal controls to the Board’s policies and procedures without exception and reviewed 8 quarterly reports to the Board to determine compliance with the internal controls.

    a. Budget to actual P&L and balance sheet are submitted to the Executive Director and Finance Committee for review quarterly. The Board of Directors review and approve the quarterly and annual financial reports.

b. The Board of Directors review and approve the annual budget and any subsequent revised budgets.

Budget	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 5	Quarter 6	Quarter 7	Quarter 8
Control A	✓	✓	✓	✓	✓	✓	✓	✓
Control B	✓	✓	✓	✓	✓	✓	✓	✓
✓	= Procedure performed without exception							
Control A: Budget: Inspected board meeting minutes for evidence of review and approval of the quarterly and annual financial statements.								
Control B: Budget: Inspected board meeting minutes for evidence of review and approval of the annual budget and any subsequent revised budgets.								

Financial Statements

15. We have compared the internal financial statements prepared by management for the biennium ended June 30, 2025, to the general ledger, noting no exceptions.

16. We have compared the schedules obtained for procedures 2, 8, and 11 to the internal financial statements and/or the underlying general ledger accounts used by the management to prepare the internal financial statements and agreed the schedules without exception.

We were engaged by the Oregon Wine Board to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. 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 accounting records of the Oregon Wine Board for the Biennium ended June 30, 2025. Accordingly, we do not express such 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 Oregon Wine Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

Baker Tilly US, LLP

Portland, Oregon
December 5, 2025