



Blue & Co., LLC / 720 East Pete Rose Way, Suite 100 / Cincinnati, OH 45202  
main 513.241.4507 fax 513.241.5637 email blue@blueandco.com

May 15, 2026

To the Members  
Ohio State Council, Knights of Columbus  
559 Walnut St.  
Leetonia, Ohio 44431

Dear Members:

We have audited the financial statements (herein referred to as the "financial statements") of Ohio State Council, Knights of Columbus (the "Council") as of and for the year ended March 31, 2026, and have issued our report dated as of the date of this letter. Professional standards require that we advise you of the following matters relating to our audit.

### **OUR RESPONSIBILITY IN RELATION TO THE FINANCIAL STATEMENT AUDIT**

As communicated in our engagement letter dated March 31, 2026, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with the modified cash basis of accounting. Our audit of the financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of the system of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control over financial reporting. Accordingly, as part of our audit, we considered the system of internal control of the Council solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

### **PLANNED SCOPE AND TIMING OF THE AUDIT**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **COMPLIANCE WITH ALL ETHICS REQUIREMENTS REGARDING INDEPENDENCE**

The engagement team and others in our firm, as appropriate, have complied with all relevant ethical requirements regarding independence.

## **SIGNIFICANT RISKS IDENTIFIED**

We identified and communicated significant risks during the planning phase of our audit. Other than the significant risks communicated in the planning communication we have not identified additional risks during our audit.

## **QUALITATIVE ASPECTS OF THE COUNCIL'S SIGNIFICANT ACCOUNTING PRACTICES**

### **Significant Accounting Policies**

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Council is included in Note 2 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during year. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### **Accounting Estimates and Related Disclosures**

Accounting estimates and related disclosures are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

- The Council's estimates of the costs of providing various programs and other activities have been summarized on a functional basis in the financial statements. Direct costs are allocated by functional area. Certain expenses require allocation on a reasonable basis that is consistently applied. We evaluated the key factors and assumptions used to determine the allocation of costs is reasonable and presented fairly in relation to the financial statements taken as a whole

## **FINANCIAL STATEMENT DISCLOSURES**

The financial statement disclosures are neutral, consistent, and clear.

## **SIGNIFICANT DIFFICULTIES ENCOUNTERED DURING THE AUDIT**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

## **UNCORRECTED AND CORRECTED MISSTATEMENTS**

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and

communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole.

Management has corrected all such misstatements. The following material misstatements detected as a result of audit procedures were corrected by management:

- An adjustment to properly reflect beginning net assets resulted in an increase to opening net assets of \$48,662.
- An adjustment to properly reflect the fair market valuation of investments held resulted in a decrease to the change in net assets of \$36,307.
- An adjustment to restate the prior period classification of with and without donor restricted net assets resulted in a restatement increasing the prior period reporting of with donor restricted net asset \$59,274 and decreasing the prior period reporting of without donor restricted net assets by the same amount.

#### **DISAGREEMENTS WITH MANAGEMENT**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Council's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

#### **REPRESENTATIONS REQUESTED FROM MANAGEMENT**

We have requested certain representations from management that are included in the management representation letter dated as of the date of this letter.

#### **MANAGEMENT'S CONSULTATIONS WITH OTHER ACCOUNTANTS**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Council's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

#### **OTHER SIGNIFICANT MATTERS, FINDINGS, OR ISSUES**

In the normal course of our professional association with the Council, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, business conditions affecting the Council, and business plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Council's auditors.

In the normal course of our professional association with the Corporation, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, business conditions affecting the Corporation, and business plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Corporation's auditors.

### **Circumstances that Affect the Form and Content of the Auditor's Report**

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. We have made the following modification to our auditor's report:

The financial statements include a restatement of the March 31, 2025, comparative information to correct a classification error identified during the current year audit. Specifically, certain amounts related to the Support Our Seminarians program were not previously presented in the appropriate net asset class. Donor-restricted contributions and related releases from restriction were originally reported within net assets without donor restrictions rather than within net assets with donor restrictions and net assets released from restrictions, as applicable.

Management has corrected this error by restating the prior period amounts to properly reflect the donor-restricted nature of these transactions in accordance with the Council's accounting policy and applicable guidance. This restatement affects only the classification of amounts between net asset classes and does not impact total revenue, total change in net assets, or total net assets previously reported. We have evaluated the appropriateness of this correction and the related disclosures included in Note 3 to the financial statements.

As a result of this restatement, we included an Emphasis-of-Matter paragraph in our auditor's report to draw attention to Note 3, which describes the correction of the error. Our opinion was not modified with respect to this matter.

### **OTHER MATTERS**

#### **INTERNAL CONTROL MATTERS**

In planning and performing our audit of the financial statements of the Council as of and for the year ended March 31, 2026, in accordance with auditing standards generally accepted in the United States of America, we considered the Council's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable

possibility that a material misstatement of the Council's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

We consider the following deficiencies in the Council's internal control to be material weaknesses:

### **Segregation of Duties**

Segregation of accounting duties is an essential element of effective internal controls, involving the separation of custody of assets from the related recording of transactions. Segregation of conflicting duties within the Council is difficult because of the limited number and proximity of personnel.

Currently, the state secretary prints and records the checks, signs the checks with two signatures (signs and stamps the state deputy's signature) and reconciles the bank statement. We recommend these duties be segregated by having two separate people sign the checks as intended. Due to the limited segregation of duties and lack of independent review over financial reporting, a misstatement in the prior period financial statements related to the classification of net assets was not identified or corrected in a timely manner, resulting in a restatement of the 2025 financial statements. This further indicates that controls over financial reporting are not operating effectively and supports the classification of this deficiency as a material weakness.

### **Financial Reporting**

We are required to give consideration to the Council's ability to prepare financial statements and related note disclosures, as well as the oversight of the financial reporting process by those charged with governance. The Council does not have in place controls that would assure the preparation of internal financial statements and related note disclosures in accordance with GAAP. Such preparation would require the ability to maintain appropriate technical knowledge, including the ability to research current and changing accounting standards as well as unique industry considerations.

As with many small entities, the Council engages the auditors to draft the financial statements and to perform the necessary steps to ensure the disclosures are complete. Once drafted, the financial statements are submitted to the Council for approval. While this practice is common and practical, we must inform those charged with governance that this must be considered a material weakness in internal control since the financial statement preparation cannot be performed in-house.

### **RESTRICTION ON USE**

This report is intended solely for the information and use of the Members, and others within the Council and is not intended to be and should not be used by anyone other than these specified parties.

To The Members  
Ohio State Council, Knights of Columbus  
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We appreciate this opportunity to be of service and extend our thanks to everyone at the Council for their cooperation and assistance. We would be pleased to discuss any of the above matters with you at your convenience.

Respectfully,

*Blue & Co., LLC*

Cincinnati, Ohio  
May 15, 2026