

HARTFORD INDEPENDENT AGRICULTURAL SOCIETY

LICKING COUNTY

**DECEMBER 1, 2016 TO NOVEMBER 30, 2018
AGREED-UPON PROCEDURES**



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Board of Directors
Hartford Independent Agricultural Society
14028 Fairground Road
PO Box 317
Croton, Ohio 43013

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Hartford Independent Agricultural Society, Licking County, prepared by Julian & Grube, Inc., for the period December 1, 2016 through November 30, 2018. 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 Hartford Independent 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 3, 2019

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Julian & Grube, Inc.
Serving Ohio Local Governments

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Hartford Independent Agricultural Society
Licking County
14028 Fairground Road
PO Box 317
Croton, Ohio 43013

We have performed the procedures enumerated below, which were agreed to by the Board of Directors and the management of the Hartford Independent Agricultural Society (hereafter referred to as the "Society") and the Auditor of State, on the receipts, disbursements and balances recorded in the Society's cash basis accounting records for the fiscal years ended November 30, 2018 and 2017 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 fiscal years ended November 30, 2018 and 2017 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, 2018 and November 30, 2017 bank reconciliations. We found no exceptions.
2. We agreed the December 1, 2016 beginning fund balances recorded to the November 30, 2016 balances in the documentation in the prior fiscal year agreed-upon procedures working papers. We found the December 1, 2016 beginning fund balance was \$263 higher than the November 30, 2016 balance documented within the agreed-upon procedures working papers due to outstanding checks voided during the fiscal year ending November 30, 2017 that related to a prior fiscal year. We also agreed the December 1, 2017 beginning fund balances recorded to the November 30, 2017 balances. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the November 30, 2018 and 2017 fund cash balance reported in the General Ledger Report. We found the book balance per the November 30, 2018 reconciliation was \$114,352 while the General Ledger Report balance was \$124,600. Further, we found the book balance per the November 30, 2017 reconciliation was \$192,009 while the General Ledger Report balance was \$182,136.
4. We confirmed the November 30, 2018 bank account balances with the Society's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the November 30, 2018 bank reconciliation without exception.

5. We selected five reconciling debits (such as outstanding checks) haphazardly from the November 30, 2018 bank reconciliation:
 - a. We traced each debit to the subsequent December bank statement. We found no exceptions.
 - b. We traced the amounts and dates to the General Ledger Report, to determine the debits were dated prior to November 30. There were no exceptions.
6. We selected the one reconciling credit (such as deposit in transit) from the November 30, 2018 bank reconciliation:
 - a. We traced the credit to the subsequent March financial institution website transaction listing. We found no exceptions.
 - b. We agreed the credit amount to the General Ledger Report. The credit was recorded as a November receipt for the same amount recorded in the reconciliation.
7. We traced interbank account transfers occurring in November of 2018 and 2017 to the accounting records and reconciliations to determine if they were properly recorded. We found no exceptions.
8. We inspected investments held at November 30, 2018 and November 30, 2017 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 Receipts

We selected each receipt from the Delaware County Vendor Report from 2018 and 2017. We also confirmed each receipt from Knox County from 2018 and 2017, with the Knox County Auditor's Office.

- a. We compared the amount from the above report and confirmation to the amount recorded in the General Ledger Report. The amounts agreed.
- b. We inspected the General Ledger Report to determine whether these receipts were allocated to the proper account codes. We found no exceptions.
- c. We inspected the General Ledger Report to determine whether the receipts were recorded in the proper year. We found no exceptions.

Admission/Grandstand Receipts

We haphazardly selected one day of admission/grandstand cash receipts from the fiscal year ended November 30, 2018 and one day of admission/grandstand cash receipts from the fiscal year ended November 30, 2017 recorded in the General Ledger Report and agreed the receipt amount to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc.).

For August 9, 2017, the amount recorded in the General Ledger Report was \$57,155.

- a. The ticket sales recapitulation reported 8,230 tickets sold on that date.
- b. The admission price per ticket was \$7.
- c. Therefore, the recapitulation sheet multiplied by the admission price supports admission receipts of \$57,610 for August 11, 2017, which exceeds the amount recorded by \$455.

For August 8, 2018, the amount recorded in the General Ledger Report was \$43,457.

- a. The ticket sales recapitulation reported 6,226 tickets sold on that date.
- b. The admission price per ticket was \$7.
- c. Therefore, the recapitulation sheet multiplied by the admission price supports admission receipts of \$43,582 for August 8, 2018, which exceeds the amount recorded by \$125.

Privilege Fee Receipts

We haphazardly selected 10 privilege fee cash receipts from the fiscal year ended November 30, 2018 and 10 privilege fee cash receipts from the fiscal year ended November 30, 2017 recorded in the duplicate cash receipts book and:

- a. Agreed the receipt amount to the amount recorded in the General Ledger Report. The amounts agreed.
- b. Agreed the rates charged with rates in force during the period. We found no exceptions.
- c. Inspected the General Ledger Report to determine whether the receipt was recorded in the proper year. We found no exceptions.

Rental Receipts

We haphazardly selected 10 rental cash receipts from the fiscal year ended November 30, 2018 and 10 rental cash receipts from the fiscal year ended November 30, 2017 recorded in the duplicate cash receipts book and:

- a. Agreed the receipt amount to the amount recorded in the General Ledger Report. The amounts agreed.
- b. Agreed the rate charged with the rates in force during the period. We found no exceptions.
- c. Inspected the General Ledger Report to determine whether the receipt was recorded in the proper fiscal year. We found no exceptions.

Over-The-Counter Cash Receipts

We haphazardly selected 10 over-the-counter cash receipts from the fiscal year ended November 30, 2018 and 10 over-the-counter cash receipts from the fiscal year ended 2017 recorded in the duplicate cash receipts book and:

- a. Agreed the receipt amount to the amount recorded in the General Ledger Report. The amounts agreed.
- b. Inspected the General Ledger to determine the receipt was posted to the proper fund(s) 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 November 30, 2016.
2. We inquired of management, and inspected the receipt and expenditure records for evidence of loan or credit agreements, and bonded, note, County, or mortgage debt issued during 2018 or 2017 or debt payment activity during 2018 or 2017. All debt agreed to the summary we used in procedure 3.
3. We obtained a summary of debt service payments including mortgage debt permitted by Ohio Rev. Code Section 1711.13 owed during 2018 and 2017 and agreed these payments from the General Ledger Report 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 one interest payment for \$840 was posted to the General Ledger Report as a reduction to the outstanding principal balance.
4. We agreed the amount of debt proceeds from the debt documents to amounts recorded in the General Ledger Report. The amounts agreed.
5. For new debt issued during 2017, we inspected the debt legislation, noting the Society must use the proceeds to construct a beef barn. We inspected the General Ledger Report and noted the Society used the proceeds to build a beef barn which was completed by September of 2017.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2018 and one payroll check for five employees from 2017 from the General Ledger Report and:
 - a. We compared the hours and pay rate, or salary recorded in the General Ledger Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
2. For any new employees selected in procedure 1 we compared the following information in the employees' personnel files and minute record was consistent with the information used to compute gross and net pay related to this check:
 - a. Name
 - b. Authorized salary or pay rate
 - c. Retirement system participation and payroll withholding
 - d. Federal, State & Local income tax withholding authorization and withholding
 - e. Any other deduction authorizations (deferred compensation, etc.)

We found no exceptions related to procedures a – e above.

3. We inspected the last remittance of tax and retirement withholdings for the fiscal year ended November 30, 2018 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 2018. We observed 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, 2019	January 2, 2019	\$2,589.84	\$2,589.84
State income taxes	January 15, 2019	January 2, 2019	\$232.08	\$232.08
Village of Centerburg (RITA)	January 31, 2019	January 2, 2019	\$193.22	\$193.22
Centerburg LSD	January 17, 2019	January 2, 2019	\$54.56	\$54.56

Non-Payroll Cash Disbursements

We haphazardly selected 10 disbursements from the General Ledger Report for the fiscal year ended November 30, 2018 and 10 from the fiscal year ended 2017 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 Report 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.

Other Compliance

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. 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 did file their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy for the fiscal years ended November 30, 2018 and 2017 in the Hinkle system. However, financial information was filed on April 2, 2018 for the fiscal year ended November 30, 2017 which was not within the allotted timeframe. Financial information was timely filed for the fiscal year ended November 30, 2018.

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.

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 fiscal years ended November 30, 2018 and 2017, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.



Julian & Grube, Inc.
April 17, 2019

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OHIO AUDITOR OF STATE
KEITH FABER



HARTFORD INDEPENDENT AGRICULTURAL SOCIETY

LICKING COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JUNE 13, 2019**