

***LOUDONVILLE INDEPENDENT AGRICULTURAL
SOCIETY***

ASHLAND COUNTY, OHIO

AGREED UPON PROCEDURES

For the Years Ended November 30, 2018 and 2017



OHIO AUDITOR OF STATE KEITH FABER



Board of Trustees
Loudonville Independent Agricultural Society
165 North Water Street
Loudonville, Ohio 44842

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Loudonville Independent Agricultural Society, Ashland County, prepared by Charles E. Harris & Associates, 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 Loudonville Independent Agricultural Society is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

May 3, 2019

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**LOUDONVILLE INDEPENDENT AGRICULTURAL SOCIETY
ASHLAND COUNTY
Agreed Upon Procedures
For the Years Ended November 30, 2018 and 2017**

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Loudonville Independent Agricultural Society
Ashland County
165 North Water Street
Loudonville, Ohio 44842

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of the Loudonville Independent 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, 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 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

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 prior year audited statements. We found that the balance reported in the Hinkle report was understated by \$420, but the General Ledger were correct. We also agreed the December 1, 2017 beginning fund balances recorded to the November 30, 2017 balances. We found that the balance reported in the Hinkle report was understated by \$948, but the General Ledger were correct.
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.
4. We confirmed the November 30, 2018 bank account balances with the Society's financial institution. We found no exceptions.
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 check register, to determine the debits were dated prior to November 30. There were no exceptions.

6. We selected one reconciling credit (all available) (such as deposits in transit) haphazardly from the November 30, 2018 bank reconciliation:
 - a. We were not able to trace the credit to any subsequent bank statement. The one outstanding credit is due to the incorrect booking of a returned check. The Society should book an entry in Quickbooks to correct the returned check.
 - b. We agreed the credit amounts to the General Ledger. The credit was recorded as a receipt in 2017 for the same amount recorded in the reconciliation.

Intergovernmental and Other Confirmable Cash Receipts

1. We selected all the receipts from the Distribution Transaction Detail Report (State DTL) for 2018 and 2017. We also haphazardly selected five receipts from the County Auditor's DTLs from 2018 and five from 2017.
 - a. We compared the amount from the above reports to the amount recorded in the General Ledger. The amounts agreed.
 - b. We inspected the General Ledger to determine whether these receipts were allocated to the proper account codes. We found no exceptions.
 - c. We inspected the General Ledger to determine whether the receipts were recorded in the proper year. We found no exceptions.
2. We examined documentation supporting the donation amount paid from a donor who wished to remain anonymous during the year ending November 30, 2017. We found no exceptions.
 - a. We inspected the General Ledger to determine whether these receipts were allocated to the proper account code. We found no exceptions.
 - b. We inspected the General Ledger to determine whether the receipt was recorded in the proper year. We found no exceptions.

Privilege Fee Receipts

We haphazardly selected 10 privilege fee cash receipts from the year ended November 30, 2018 and 10 privilege fee cash receipts from the 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. The amounts agreed except for two items for which electric charges of \$120 were recorded as merchant tent or concession revenue.
- b. Compared the rates charged with rates in force during the period. We found no exceptions.
- c. Confirmed the receipt was recorded in the proper year. We found no exceptions.

Over-The-Counter Cash Receipts

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

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

Debt

1. From the prior audit documentation, we observed the following loan outstanding as of November 30, 2016. This amount agreed to the Society's December 1, 2017 balances on the summary we used in procedure 3.

Issue	Principal outstanding as of November 30, 2016:
Building Loan	\$50,006

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 owed during 2018 and 2017 and attempted to agree the payments from the General Ledger to the related debt amortization schedule. We noted that the Society improperly recorded some payments causing an overstatement of the loan balance of \$226 as of November 30, 2018. We also compared the date the debt service payments were due to the date the Society made the payments. We found no exceptions.

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 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). 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, 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	November 17, 2018	\$810.90	\$810.90
Village of Loudonville income tax	January 31, 2019	November 20, 2018	\$92.75	\$92.75
Loudonville Perrysville School District income tax	January 31, 2019	November 20, 2018	\$66.25	\$66.25

Non-Payroll Cash Disbursements


1. We haphazardly selected ten disbursements from the General Ledger for the year ended November 30, 2018 and ten from the year ended November 30, 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 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. 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 years ended November 30, 2018 and 2017 in the Hinkle system. There were no exceptions.

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 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.



CHARLES E. HARRIS & ASSOCIATES, INC.

April 8, 2019

OHIO AUDITOR OF STATE KEITH FABER



LOUDONVILLE INDEPENDENT AGRICULTURAL SOCIETY

ASHLAND 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
MAY 16, 2019**