



OHIO AUDITOR OF STATE
KEITH FABER





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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Greene County Agricultural Society
Greene County
120 Fairground Road
Xenia, Ohio 45385

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of Greene County Agricultural Society (the Society), 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 documented in the prior year Agreed-Upon Procedures working papers. We found no exceptions. 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 Balance Sheet. The amounts agreed.
4. We observed the year-end bank balances on the financial institution's website. The balances agreed. We also agreed the confirmed balances to the amounts appearing in the November 30, 2018 bank reconciliation without exception.
5. We selected a sample (agree upon) of five reconciling debits (such as outstanding checks) from the November 30, 2018 bank reconciliation:
 - a. We traced each debit to the subsequent December bank statements. We noted one check that was still outstanding as of August 20, 2019.
 - 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.

Cash (Continued)

6. We traced interbank account transfers occurring in November of 2018 to the accounting records and bank statements to determine if they were properly recorded. We found no exceptions.

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 selected a sample (agreed upon) of five receipts from the County Auditor's Vendor Audit Trail Report 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.

Admission/Grandstand Receipts

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

For August 1, 2017, the amount recorded in the QB General ledger for August 1, 2017 was \$22,413.

- a. The ticket sales recapitulation reported 1,348 grandstand and 2,599 admission tickets sold on that date.
- b. The admission price per ticket was \$5 for Grandstand and \$6 for admission tickets.
- c. Therefore the recapitulation sheet multiplied by the admission price supports admission receipts of \$22,334 for August 1, 2017, which is less than the amount recorded by \$79.

For August 3, 2018, the amount recorded in the QB General ledger for August 3, 2018 was \$28,976.

- a. The ticket sales recapitulation reported 1,363 grandstand and 3,690 admission tickets sold on that date.
- b. The admission price per ticket was \$5 for Grandstand and \$6 for admission tickets.
- c. Therefore the recapitulation sheet multiplied by the admission price supports admission receipts of \$28,955 for August 3, 2018, which is less than the amount recorded by \$21.

Privilege Fee Receipts

We selected a sample (agreed upon) of 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.
- b. Agreed the rate charged with rates in force during the period. We found no exceptions.
- c. Inspected the General Ledger to determine whether the receipt was recorded in the proper year. We found no exceptions.

Rental Receipts

We selected a sample (agreed upon) of 10 rental cash receipts from the year ended November 30, 2018 and 10 rental 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.

Rental Receipts (Continued)

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

Over-The-Counter Cash Receipts – Restricted Gifts

We selected a sample (agreed upon) of 10 over-the-counter cash receipts from the year ended November 30, 2018 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. 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 agreed-upon procedures documentation, we observed the following loan outstanding as of November 30, 2016. The 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:
Mortgage	\$288,650.18

- 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 and loan/credit agreements permitted by Ohio Rev. Code Section 1711.13 owed during 2018 and 2017 and agreed these payments from the General Ledger to the related debt amortization schedules. We also compared the date the debt service payments were due to the date the Society made the payments. The Society failed to make a payment on Mortgage loan during March 2018. April 2018 payment included the missed payment. Additionally, the Society was six days late on its loan payment for the Bobcat loan during August 2018. Policies and procedures should be established to verify that all loan payments are made in a timely manner. Failure to do so could result in the lender considering the loan in default and requiring payment of full balance amount.
- 4. We agreed the amount of debt proceeds from the debt documents to amounts recorded in the General Ledger. The amount was recorded as a liability on Society's books.
- 5. For new debt issued during 2018 and 2017, we inspected the debt legislation, noting the Society must use the proceeds to purchase a Bobcat and Pallet Fork Attachment. We inspected the Commercial Security Agreement and observed the Society purchased a Bobcat and Pallet Fork Attachment in June 2018.
- 6. We inquired of management, inspected the general ledger, and the prior agreed-upon procedures report to determine whether the Society had loan or credit agreements outstanding from a prior year or obtained a loan during 2018 as permitted by Ohio Rev. Code Section 1711.13(B). We recalculated the Society's computation supporting that the total net indebtedness from loans and credit did not exceed twenty-five percent of its annual revenues. We found no exceptions.

Payroll Cash Disbursements

1. We selected one payroll check for five employees from 2018 and one payroll check for five employees from 2017 from the Paycheck and:
 - a. We compared the hours and pay rate, or salary recorded in the Paycheck to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). 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	December 31, 2018	\$1,539	\$1,539
State income taxes	January 15, 2019	December 31, 2018	\$167	\$167
City of Xenia Income Tax	January 31, 2019	December 26, 2018	\$253	\$253

Non-Payroll Cash Disbursements

1. We selected a sample (agreed upon) of 10 disbursements from the General Ledger for the year ended November 30, 2018 and 10 from the 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 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

1. 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 filed their complete financial statements, as defined by AOS Bulletin 2015-007 and 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.
2. For all credit card accounts we obtained:
 - copies of existing internal control policies,
 - a list of authorized users, and
 - a list of all credit card account transactions.
 - a. We selected 3 credit card transactions for testing. For selected transactions we inspected documentation to determine that:

Other Compliance (Continued)

- i. Each transaction was supported with original invoices and for a proper public purpose.

We found 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.



Keith Faber
Auditor of State
Columbus, Ohio

August 23, 2019

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OHIO AUDITOR OF STATE KEITH FABER



GREENE COUNTY AGRICULTURAL SOCIETY

GREENE 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
SEPTEMBER 5, 2019**