



Dave Yost • Auditor of State





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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Columbiana County Agricultural Society  
Columbiana County  
P.O. Box 356  
Lisbon, Ohio 44432

We have performed the procedures enumerated below, with which the Board of Directors and the management of Columbiana County Agricultural Society, Columbiana County (the Society) agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended November 30, 2009 and 2008, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. 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*. 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 tested the mathematical accuracy of the November 30, 2009 and November 30, 2008 bank reconciliations. We found the following exceptions  
2008: Loan fee of \$135 not posted to the ledger as an expenditure.  
2009: Bank fee of \$16.95 not posted to the ledger as an expenditure  
No other exceptions were noted. The Treasurer has posted both items to the Society financial records.
2. We agreed the December 1, 2007 beginning fund balances recorded to the November 30, 2007 balances in the prior year audited statements. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the November 30, 2009 and 2008 fund cash balance reported on the financial statement. The amounts agreed.
4. We confirmed the November 30, 2009 bank account balances with the Society's financial institutions. We found an exception of \$2,206.05 in 2009 CD interest that was not reflected on your ledgers. We also agreed the confirmed balances to the amounts appearing in the November 30, 2009 bank reconciliation. We found an exception of \$2,206.05 in 2009 CD interest that was not reflected in the reconciliation. Interest of \$2,206.05 was posted to the Society's financial records in December 2009.

### **Cash – (Continued)**

5. We selected five outstanding checks/reconciling items haphazardly from the November 30, 2009 bank reconciliation:
  - a. We traced each check to the debit appearing in the subsequent December and January bank statements. We found no exceptions. We traced the debt account payable balance to the November 30, 2009 bank confirmation. We found no exceptions.
  - b. We traced the amounts and date written to the check register, to determine the checks were dated prior to November 30. We noted no exceptions.
6. We tested the interbank account transfer occurring in November of 2009 to determine if it was properly recorded in the accounting records and on each bank statement. We found no exceptions.
7. We tested investments held at November 30 2009 and November 30, 2008 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. We noted no exceptions.

### **Intergovernmental and Other Confirmable Cash Receipts**

We selected all the receipts from the Distribution Transaction Detail Report (State DTL) for 2009 and 2008.

- a. We compared the amount from the DTL/confirmation to the amount recorded in the Receipt Ledger. The amounts agreed.
- b. We determined whether these receipts were allocated to the proper account code(s). We found no exceptions.
- c. We determined 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 year ended November 30 2009 and one day of admission/grandstand cash receipts from the year ended November 30, 2008 recorded in the receipts ledger and determined whether the receipt amount agreed to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc). The amounts agreed. However, we did note that there were no ticket stubs attached as supporting documentation to the ticket recapitulation sheets.

### **Privilege Fee Receipts**

We haphazardly selected 10 privilege fee cash receipts from the year ended November 30, 2009 recorded in the duplicate cash receipts book and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Receipt Ledger. The amounts agreed.
- b. Amount charged complied with rates in force during the period. We found no exceptions.
- c. Receipt was recorded in the proper year. We found no exceptions.

### **Gifts and Donations Receipts**

We haphazardly selected 10 donation cash receipts from the year ended November 30, 2009 and 10 donation cash receipts from the year ended November 30, 2008 recorded in the duplicate cash receipts book and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Receipt Ledger. The amounts agreed.
- b. Receipt was recorded in the proper year. We found no exceptions.

### **Debt**

1. We inquired of management, and scanned the receipt and expenditure records for evidence of loan or credit agreements, and bonded, note, County, or mortgage debt issued during 2009 or 2008 or outstanding as of November 30, 2009 or 2008. All debt noted agreed to the summary we used in step 2.
2. We obtained a summary of debt service payments owed during 2009 and 2008 and agreed these payments from the expenditure ledger to the related debt amortization schedules and invoices. We also compared the date the debt service payments were due to the date the Society made the payments. We noted debt payments totaling \$3,313.07 in 2008 and \$71,067.74 in 2009 were not reflected on the expenditure ledger or the financial statements. We also noted, that due to the society posting debt as an account payable when the debt was issued, it was necessary to use the remaining debt payable as of November 30, 2009 and 2008 of \$25,948.82 and \$97,016.56 respectively as reconciling items on the Society's book to bank reconciliation. This debt issue was fully repaid in January 2010 and is no longer a reconciling item. We found no other exceptions.
3. We agreed the amount of debt proceeds from the debt documents to amounts recorded in the Receipt Ledger. Proceeds of \$100,135 received in 2008 were not reflected on the receipt ledger or the financial statement. We noted the Society did post debt as an account payable when the debt was issued. As such, it was necessary to use the remaining debt payable as of November 30, 2009 and 2008 of \$25,948.82 and \$97,016.56 respectively as reconciling items on the Society's book to bank reconciliation. This debt issue was fully repaid in January 2010 and is no longer a reconciling item. We noted no other exceptions.
4. For new debt issued during 2008, we inspected the debt legislation, noting the Society must use the proceeds to purchase a Beef Complex. We scanned the expenditure ledger and noted the Society purchased a Beef Complex Structure on May 23, 2008.
5. We inquired of management, scanned the receipt ledger, and scanned the prior audit report and determined that the Society had loan or credit agreements outstanding from a prior year or obtained a loan or credit line as permitted by Ohio Rev. Code Section 1711.13(B). We examined 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 haphazardly selected one payroll check for five employees from 2009 and one payroll check for five employees from 2008 from the Payroll Register and determined whether 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 steps a – e above.

2. We tested the checks we selected in step 1, as follows:
  - a. We compared the hours and pay rate, or salary amount used in computing gross pay to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
3. We scanned the last remittance of tax and retirement withholdings for the year ended November 30, 2009 to determine whether remittances were timely paid, and that the amounts paid agreed to the amounts withheld during the final withholding period during 2009. We noted the following:

<b>Withholding</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Withheld</b>	<b>Amount Paid</b>
Federal income taxes and social security	January 31, 2010	1/11/10	\$217.86	\$217.86
State income taxes	January 15, 2010	1/11/10	\$46.60	\$46.60
Local income tax	January 31, 2010	1/11/10	65.69	\$65.69

**Non-Payroll Cash Disbursements**

We haphazardly selected ten disbursements from the Expenditure Report for the year ended November 30, 2009 and ten from the year ended 2008 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 Expenditure Ledger and to the names and amounts on the supporting invoices. We found one exception. One expenditure, amounting to \$25,000, did not have a supporting invoice attached.
- c. Based on the nature of the expenditure, the account coding is reasonable. We found no exceptions.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Society's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management and those charged with governance and is not intended to be, and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

**Dave Yost**  
Auditor of State

January 21, 2011

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# Dave Yost • Auditor of State

**COLUMBIANA COUNTY AGRICULTURAL SOCIETY**

**COLUMBIANA 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  
MARCH 29, 2011**