GALLIA COUNTY AGRICULTURAL SOCIETY
GALLIA COUNTY

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Gallia County Agricultural Society
Gallia County
P.O. Box 931
Gallipolis, Ohio 45631

We have performed the procedures enumerated below, with which the Board of Directors and the management of the Gallia County Agricultural Society, Gallia County, Ohio (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, 2010 and 2009, 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 and Investments

1. We tested the mathematical accuracy of the November 30, 2010 and November 30, 2009 bank reconciliations. We found no exceptions.

2. We agreed the December 1, 2009 beginning fund balances recorded to the November 30, 2008 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, 2010 and 2009 fund cash balance reported in the Cash Journal. The amounts agreed.

4. We confirmed the November 30, 2010 bank account balances with the Society's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the November 30, 2010 bank reconciliation without exception.

5. We selected five outstanding checks haphazardly from the November 30, 2010 bank reconciliation:
    a. We traced each check to the debit appearing in the subsequent December bank statements. 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.

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6. We tested interbank account transfers occurring in November of 2010 and 2009 to determine if they were properly recorded in the accounting records and on each bank statement. We found no exceptions.

7. We tested investments held at November 30, 2010 and November 30, 2009 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. Ohio Rev. Code Section 135.14(B)(3) states in part that the governing board may invest in interim deposits. Per Ohio revised Codes section 135.13, interim deposits shall be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including, but not limited to, pass book accounts. We noted the Society held Certificate of Deposit #40526550 during 2010, which had a term of 18 months. This is outside of the one-year limit.

Intergovernmental and Other Confirmable Cash Receipts

1. We selected all the receipts from the Distribution Transaction Detail Report (State DTL) for 2010 and 2009.
    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. We found no exceptions.
    c. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Admission/Grandstand Receipts

1. We haphazardly selected one day of admission/grandstand cash receipts from the year ended November 30, 2010 and one day of admission/grandstand cash receipts from the year ended November 30, 2009 recorded in the receipts ledger and determined whether the receipt amount agreed to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc).

    For August 4, 2009, the amount recorded in the receipts ledger was $13,897.
    a. The ticket sales reported by Gates Amusements, with whom the Society contracts to operate ticket sales, showed 1,695 tickets sold on that date.
    b. The admission price per ticket was $8.
    c. Therefore, the reported ticket sales multiplied by the admission price supports admission receipts of $13,560 for August 4, 2009, which is below the amount recorded by $337.

    For August 3, 2010, the amount recorded in the receipts ledger was $24,006.
    a. The ticket sales reported by Gates Amusements, with whom the Society contracts to operate ticket sales, showed 2,992 tickets sold on that date.
    b. The admission price per ticket was $8.
    c. Therefore, the reported ticket sales multiplied by the admission price supports admission receipts of $23,936 for August 3, 2010, which is below the amount recorded by $70.

Rental Receipts

1. We haphazardly selected 10 rental cash receipts from the year ended November 30, 2010 and 10 rental 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.

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 2010 or 2009 or outstanding as of November 30, 2010 or 2009. We noted neither new debt issuances, nor any debt payment activity during 2010 or 2009.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2010 and one payroll check for five employees from 2009 from the Payroll Register and determined whether the following information in the employees' personnel files and noted in the 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.
    b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.

3. We scanned the last remittance of tax and retirement withholdings for the year ended November 30, 2010 to determine whether remittances were timely paid, and that the amounts paid agreed to the amounts withheld during the final withholding period during 2010. We noted the following:

Withholding	Date Due	Date Paid	Amount Withheld	Amount Paid
Federal income taxes and social security	January 31, 2011	December 31, 2010	$2,609.96	$2,609.96
State income taxes	January 15, 2011	December 31, 2010	$254.89	$263.89

Non-Payroll Cash Disbursements

1. We agreed total disbursements (non-payroll and payroll) from the check register to the Annual Report for the years ended November 30, 2010 and 2009. We found no exceptions.

2. We haphazardly selected ten disbursements from the Expenditure Ledger for the year ended November 30, 2010 and ten from the year ended 2009 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 no exceptions.
   c. Based on the nature of the expenditure, the account coding is reasonable. We found no exceptions.

Officials' Response:

The Board opted for the eighteen month Certificate of Deposit in order to receive a higher interest rate.

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.

Dave Yost
Auditor of State

February 28, 2011

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GALLIA COUNTY AGRICULTURAL SOCIETY

GALLIA 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 22, 2011