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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Trustees
Convention and Visitors Bureau
Seneca County
500 North Township Road 59
Fostoria, Ohio 44830

We have performed the procedures enumerated below, to which the management of the Convention and Visitors Bureau, Seneca County, Ohio (the Bureau), agreed, solely to assist the Bureau in evaluating whether it recorded all lodging taxes it received from Seneca County and to help evaluate whether the Bureau disbursed these lodging taxes for allowable purposes described below for the years ending December 31, 2011 and 2010 and the period ending January 31, 2012. The Bureau is responsible for disbursing lodging taxes for allowable purposes. We followed the American Institute of Certified Public Accountants' attestation standards for agreed-upon procedures engagements 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 Bureau. 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.

Cash Receipts

1. We confirmed with Seneca County the lodging taxes it paid to the Bureau during the years ending December 31, 2011 and 2010 and the period ending January 31, 2012. Seneca County confirmed the following amounts:

Year/Period Ended	Amount
January 31, 2012	
December 31, 2011	\$67,070
December 31, 2010	\$59,202

2. We compared the amounts from step 1. to amounts recorded as lodging tax receipts on the Bureau's "Custom Transaction Detail Report". We found no exceptions.

Cash Disbursements

1. We inquired of management regarding sources describing allowable purposes or restrictions related to the Bureau's disbursements of lodging taxes. We listed these sources and summarized significant related restrictions below:

Source of Restrictions

- a. The Bureau's Articles of Incorporation
- b. The Bureau's 501(c)(6) Tax Exemption
- c. Ohio Rev. Code Section 5739.09(A)(2)
- d. Seneca County Resolution dated February 8, 1990.

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The Bureau's tax exemption prohibits it from disbursements supporting a candidate's election.

Ohio Rev. Code Section 5739.09(A)(2) restricts the Bureau to spending lodging tax "specifically for promotion, advertising, and marketing of the region in which the county is located."

Auditor of State Bulletin 2003-005 deems any disbursement of public funds (e.g. lodging taxes) for alcohol to be improper.

Seneca County Resolution dated February 8, 1990 permits the Bureau to spend lodging taxes only to promote hotel and motel industry of Seneca County.

2. We haphazardly selected forty disbursements of lodging taxes from the years ending December 31, 2011 and 2010 and the period ending January 31, 2012 in addition to all disbursements exceeding \$1,000, and compared the purpose for these disbursements as documented on vendor invoices or other supporting documentation to the sources of restrictions listed in Cash Disbursements Step 1 above. We found no instances where the purpose described on the invoice or other supporting documentation described a violation the restrictions listed above.
3. The Bureau dissolved as of January 31, 2012. James R. Gucker, Attorney at Law, was appointed as Escrow Agent by and between Seneca County Convention and Visitors Bureau and Fostoria Area Visitors Bureau on May 18, 2012. The Seneca County Convention and Visitors Bureau placed the sum of \$12,500.49 in escrow with James R. Gucker to be transferred to Fostoria Area Visitors Bureau after the Seneca County Convention and Visitors Bureau has been closed, less attorney fees and other costs approved by the Seneca County Convention and Visitors Bureau. We obtained and reviewed financial activity, bank statements and Escrow Agreement for the Bureau and verified the distribution of funds made to the Escrow Agent. We found no exceptions.
4. The Bureau's property (primarily furniture and equipment) was distributed to seven area non-profit organizations. We obtained the inventory listing and verified the distribution of assets was made in accordance with Board approval. We found no exceptions.

We were not engaged to, and did not examine the Bureau's lodging tax receipts and disbursements for the years ending December 31, 2011 and 2010 and the period ending January 31, 2012, the objective of which would have been to opine on lodging tax receipts and disbursements. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that we would have reported to you.

This report is intended solely for the information and use of the Bureau and is not intended to be, and should not be used by anyone else.



Dave Yost
Auditor of State

July 10, 2012



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SENECA COUNTY CONVENTION AND VISITORS BUREAU

SENECA 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
JULY 24, 2012**