



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Jefferson County Agricultural Society
Jefferson County
153 Starkey Boulevard
Wintersville, Ohio 43953

We have performed the procedures enumerated below, with which the Board of Directors and the management of Jefferson County Agricultural Society (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, 2012 and 2011, 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, 2012 and November 30, 2011 bank reconciliations. We found no exceptions.
2. We agreed the December 1, 2010 beginning fund balances recorded to the November 30, 2010 balances documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the December 1, 2011 beginning fund balances recorded to the November 30, 2011 balances. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the November 30, 2012 and 2011 fund cash balance reported in the General Ledger. The amounts agreed.
4. We confirmed the November 30, 2012 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, 2012 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the November 30, 2012 bank reconciliation:
 - a. We traced each debit to the subsequent December and January bank statements. 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. We noted no exceptions.

Intergovernmental and Other Confirmable Cash Receipts

1. We selected all the receipts from the Distribution Transaction Detail Report (State DTL) for 2012 and 2011. We also selected all the receipts from the Jefferson County Detail Vendor Expenditure Report from 2012 and 2011.
 - a. We compared the amount from the above reports to the amount recorded in the Receipt Ledger. The amounts agreed.
 - b. We determined whether these receipts were allocated to the proper account codes. 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, 2012 and one day of admission/grandstand cash receipts from the year ended November 30, 2011 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 18, 2012, the amount recorded in the receipts ledger for August 18, 2012 was \$18,820.

- a. The ticket sales recapitulation reported 2,285 tickets sold on that date.
- b. The admission price per ticket was \$8.
- c. Therefore the recapitulation sheet multiplied by the admission price supports admission receipts of \$18,280 for August 18, 2012, which is less than the amount recorded by \$540.

For August 17, 2011, the amount recorded in the receipts ledger for August 17, 2011 was \$23,000.

- a. The ticket sales recapitulation reported 3,325 tickets sold on that date.
- b. The admission price per ticket was \$7.
- c. Therefore the recapitulation sheet multiplied by the admission price supports admission receipts of \$23,275 for August 18, 2012, which exceeds the amount recorded by \$275.

Gate receipts are sometimes used to provide change to other gates, which causes variances between the amounts recorded and the amounts of ticket sales. Gate receipts should not be used for this purpose but should be recorded and deposited intact.

Privilege Fee Receipts

We haphazardly selected 10 privilege fee cash receipts from the year ended November 30, 2011 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. The prior agreed-upon procedures documentation disclosed no debt outstanding as of November 30, 2010.
2. 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 2012 or 2011 or debt payment activity during 2012 or 2011. We noted no new debt issuances, nor any debt payment activity during 2012 or 2011.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for two employees from 2012 and one payroll check for two employees from 2011 from the Payroll Register 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 noted time cards were not maintained for 1 employee from 2012 and 2011, who was paid on an hourly basis. We noted that the hourly pay rate was approved in the Society's minute record. We also noted that the salaried employee's wages were established in the Society's Annual Budget. The Annual Budget is approved in the minutes by the legislative body. The Society should adopt a system by which all hourly employees maintain timecards to support wages paid.
 - b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.
2. We scanned the last remittance of tax and retirement withholdings for the year ended November 30, 2012 to determine whether 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 2012. We noted the following:

Withholding(plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes, social security, & Medicare	January 31, 2013	November 30, 2012	\$61	\$1,873
State income taxes	January 31, 2013	November 8, 2012	\$10	\$290

As of the date of this report, the Society has correctly withheld federal payroll taxes, Medicare, and Social Security taxes covering the second, third, and fourth quarters. The amount due as listed above is the amount due for the fourth quarter only. Because the treasurer did not remit on a quarterly basis but remitted the taxes on a yearly basis, the amount paid represents the amount owed for the year.

As of the date of this report, the Society has correctly withheld state payroll taxes covering the second, third, and fourth quarters. The amount due as listed above is the amount due for the fourth quarter only. Because the treasurer did not remit on a quarterly basis but remitted the taxes on a yearly basis, the amount paid represents the amount owed for the year.

The Treasurer should report and remit all withholding taxes and wage taxes in the appropriate period and in a timely manner.

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Expenditure Report for the year ended November 30, 2012 and ten from the year ended 2011 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 bank statement check images 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 Jefferson County Agricultural Society has responded to issues discussed in this Agreed Upon Procedures Report. You may obtain a copy of their responses from Debbie Hukill, Treasurer, at 740-282-3656.

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, those charged with governance, and others within the Society, and is not intended to be, and should not be used by anyone other than these specified parties.



Dave Yost
Auditor of State

May 3, 2013



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JEFFERSON COUNTY AGRICULTURAL SOCIETY

JEFFERSON 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
JUNE 11, 2013**