

**FAIRFIELD COUNTY VISITORS
AND CONVENTION BUREAU, INC.**

AGREED UPON PROCEDURES

DECEMBER 31, 2013 and 2012



Dave Yost • Auditor of State

Members of the Board
Fairfield County Visitors and Convention Bureau, Inc.
124 West Main Street, Suite 200
Lancaster, Ohio 43130

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Fairfield County Visitors and Convention Bureau, Inc., Fairfield County, prepared by Maloney + Novotny LLC, for the period January 1, 2012 through December 31, 2013. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Fairfield County Visitors and Convention Bureau, Inc. is responsible for compliance with these laws and regulations.

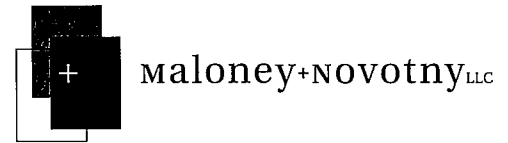
A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

September 10, 2014

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Donald J. Wolf, CPA
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Independent Accountants' Report on Applying Agreed-Upon Procedures

Members of the Board
Fairfield County Visitors and Convention Bureau, Inc.
124 West Main Street, Suite 200
Lancaster, Ohio 43130

We have performed the procedures enumerated below, to which the management of the Fairfield County Visitors and Convention Bureau, Inc. (the Bureau) agreed, solely to assist the Bureau in evaluating whether it recorded all lodging taxes it received from the Fairfield County Auditor and City of Lancaster and to help evaluate whether the Bureau disbursed these lodging taxes for allowable purposes described below for the years ended December 31, 2013 and 2012. The Bureau is responsible for disbursing lodging taxes for allowable purposes. 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 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 the City of Lancaster and Fairfield County Auditor the lodging taxes it paid to the Bureau during the years ended December 31, 2013 and 2012. The City and County confirmed the following amounts:

<u>Year Ended</u>	<u>Amount</u>
City of Lancaster:	
December 31, 2013	\$ 128,730.20
December 31, 2012	120,022.20
Fairfield County:	
December 31, 2013	242,242.70
December 31, 2012	220,146.70

2. We compared the amounts from Step 1 to amounts recorded as lodging tax receipts on the Bureau's general ledger. 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 on the next page:

Cash Disbursements, continued

Sources of Restrictions:

- a. The Bureau's Articles of Incorporation
- b. The Bureau's By-Laws and Constitution
- c. The Bureau's 501(c)(6) Tax Exemption
- d. City of Lancaster's Ordinance 19-94
- e. Fairfield County, Ohio's Resolution 7-17-81
- f. Contractual Agreement dated 1-29-85 between the County, Fairfield County Chamber of Commerce and the Bureau
- g. Ohio Revised Code (ORC) Section 5739.09(A)(2)
- h. Auditor of State of Ohio (AoS) Bulletin 2003-005

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

ORC 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."

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

City of Lancaster's Ordinance Number 19-94 dated 5-9-94, permits the Bureau to spend lodging taxes only as prescribed in the ORC.

Fairfield County Resolution 7-17-81 permits the Bureau to spend lodging taxes only as prescribed in the ORC.

2. We haphazardly selected forty disbursements of lodging taxes from the years ended December 31, 2013 and 2012 in addition to all disbursements exceeding \$5,000, 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 violated the restrictions listed above, except for the three disbursements which no vendor invoice or supporting documentation was provided. These three disbursements are listed on the attached schedule.

We were not engaged to, and did not examine the Bureau's lodging tax receipts and disbursements for the years ended December 31, 2013 and 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.

Meloney + Novotny LLC

June 23, 2014

Fairfield County Visitors and Convention Bureau, Inc.
Schedule of Disbursements Without Supporting Documentation
Years Ended December 31, 2013 and 2012

<u>Date</u>	<u>Payee</u>	<u>Description</u>	<u>Amount</u>
11/2/2012	Cardmember	Support for several charges in the November credit card payment	259.25
1/4/2013	Cardmember	Support for one charge in the January credit card payment	10.54
5/31/2013	Crites Entertainment	BBQ Festival	1,500.00

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Dave Yost • Auditor of State

FAIRFIELD COUNTY VISITORS AND CONVENTION BUREAU, INC.

FAIRFIELD 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 23, 2014**