



Balestra, Harr & Scherer, CPAs, Inc.

Accounting, Auditing and Consulting Services for Federal, State and Local Governments

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Hocking Hills Tourism Association
Agreed-Upon Procedures over Lodging Tax Receipts and Related Disbursements
For the Years Ended December 31, 2013 and 2012



Dave Yost • Auditor of State

Members of the Board
Hocking Hills Tourism Association
13178 St. Rt. 664 South
Logan, Ohio 43138

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Hocking Hills Tourism Association, Hocking County, prepared by Balestra, Harr & Scherer, CPAs, Inc., 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 Hocking Hills Tourism Association is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost
Auditor of State

April 28, 2014

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Independent Accountants' Report on Applying Agreed-Upon Procedures

February 21, 2014

Members of the Board
Hocking Hills Tourism Association
13178 St. Rt. 664 South
Logan, Ohio 43138

We have performed the procedures enumerated below, to which the management of the Hocking Hills Tourism Association (the Association) agreed, solely to assist the Association in evaluating whether it recorded all lodging taxes it received from Hocking County, and to help evaluate whether the Association disbursed these lodging taxes for allowable purposes described below for the years ended December 31, 2013 and 2012. The Association 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 Association. 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 summarized lodging taxes Hocking County's appropriation history reported as payments to the Association during the years ending December 31, 2013 and 2012. The total reported disbursements were as follows:

	Year Ended	Amount
Hocking County		
	December 31, 2013	\$625,353
	December 31, 2012	\$617,686

2. We compared the amounts from step 1 to amounts recorded as lodging tax receipts on the Association's profit and loss report. We found no exceptions.

Cash Disbursements

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

Sources of Restriction:

- The Hocking Hills Tourism Association's Articles of Incorporation
- Code of Regulations and By-Laws
- Logan Area Chamber of Commerce Resolution dated 9-1-82
- Hocking County's Resolution 4-28-83, 12-30-87 and 1-13-94
- Contractual Agreement between the County and Association dated 1-12-84 for administration of funds and operation of the Association
- Ohio Revised Code Section 5739.09(A)(2)

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

Ohio Revised Code Section 5739.09(A)(2) restricts the Association 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.

Hocking County Resolutions 4-28-83, 12-20-87 and 1-13-94 permits the Association to spend lodging taxes only as prescribed in the Ohio Revised Code.

The Contractual Agreement dated 1-12-84 permits the Association to spend lodging taxes only as prescribed in the Ohio Revised Code.

Logan Area Chamber of Commerce Resolution dated 9-1-82 permits the Association to spend lodging taxes only as prescribed in the Ohio Revised Code.

2. We haphazardly selected forty disbursements of lodging taxes from the years ended December 31, 2013 and 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 one exception: The Association issued Check Number 10708 for \$1,516.22 to pay for various expenditures made on the Association's Visa credit card. A receipt for a \$31.75 purchase was not attached, and therefore we were unable to ensure that the expenditure was not for a frivolous purpose.

Hocking Hills Tourism Association
Independent Accountants' Report on Applying Agreed-Upon Procedures

We were not engaged to, and did not examine, the Association'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 Association and is not intended to be, and should not be, used by anyone other than the specified party.

Balestra, Harr & Scherer, CPAs

Balestra, Harr, & Scherer CPAs, Inc.
Piketon, Ohio
February 21, 2014



Dave Yost • Auditor of State

HOCKING HILLS TOURISM ASSOCIATION

HOCKING 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
MAY 8, 2014**