



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Trustees
Medina County Convention and Visitors Bureau
Medina County
32 Public Square
Medina, Ohio 44256

We have performed the procedures enumerated below, to which the management of the Medina County Convention and Visitors Bureau, Medina County, Ohio, (the Bureau) agreed, solely to assist the Bureau in evaluating whether it recorded all lodging taxes it received from Medina County, and to help evaluate whether the Bureau disbursed these lodging taxes for allowable purposes described below for the years ended December 31, 2014 and 2013. 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 summarized lodging taxes Medina County's Expense Detail Report reported as payments to the Bureau during the years ended December 31, 2014 and 2013. The total reported disbursements were as follows:

<u>Year Ended</u>	<u>Amount</u>
December 31, 2014	\$341,263
December 31, 2013	317,365

2. We compared the amounts from step 1 to amounts recorded as lodging tax receipts on the Bureau's General Ledger report. We found no exceptions for 2014.

For 2013, we noted the first quarter receipt was recorded in the Bureau's cash receipts ledger as \$9,328 instead \$54,828 which was the amount paid to the Bureau from Medina County. Alternatively, we agreed the \$54,828 receipt to the Bureau's bank statement deposit. We inquired with management who indicated the aforementioned discrepancy related to a change in accounting personnel and their procedures for posting receipts in their accounting system. We recommend the Bureau consistently post transactions to its accounting system and management should periodically review financial reports to help ensure the recorded amounts are accurate.

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)

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.

2. We haphazardly selected forty disbursements of lodging taxes from the years ended December 31, 2014 and 2013 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.

We were not engaged to, and did not examine the Bureau's lodging tax receipts and disbursements for the years ended December 31, 2014 and 2013, 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 other than the specified party.



Dave Yost
Auditor of State

June 10, 2015



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MEDINA COUNTY CONVENTION VISITORS BUREAU

MEDINA 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 30, 2015**