

ASHLAND COUNTY AGRICULTURAL SOCIETY

ASHLAND COUNTY, OHIO

AGREED UPON PROCEDURES

For the Years Ended December 31, 2011 and 2010

Charles E. Harris and Associates, Inc.
Certified Public Accountants and Government Consultants



Dave Yost • Auditor of State

Board of Directors
Ashland County Agricultural Society
2042 Claremont Avenue
Ashland, Ohio 44805

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Ashland County Agricultural Society, Ashland County, prepared by Charles E. Harris & Associates, Inc., for the period December 1, 2009 through November 30, 2011. 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 Ashland County Agricultural Society is responsible for compliance with these laws and regulations.

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

Dave Yost
Auditor of State

May 11, 2012

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**ASHLAND COUNTY AGRICULTURAL SOCIETY
ASHLAND COUNTY
Audit Report
For the Years Ended December 31, 2011 & 2010**

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Ashland County Agricultural Society
Ashland County
2042 Claremont Ave.
Ashland, OH 44805

We have performed the procedures enumerated below, with which the Board of Directors and the management of Ashland County Agricultural Society (the Society) and the Auditor of State 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, 2011 and 2010, 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 and Investments

1. We tested the mathematical accuracy of the November 30, 2011 and November 30, 2010 bank reconciliations. We found no exceptions.
2. We agreed the December 1, 2009 beginning fund balances recorded to the November 30, 2009 balances in the documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the November 30, 2011 and 2010 fund cash balance reported in the balance sheet. The amounts agreed.
4. We confirmed the November 30, 2011 bank account balances with the Society's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the November 30, 2011 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the November 30, 2011 bank reconciliation:
 - a. We traced each debit to the subsequent December bank statement. We found no exceptions.
 - b. We traced the amounts and dates written to the check register, to determine the debits were dated prior to November 30. We noted no exceptions.
6. We tested interbank account transfers occurring in November of 2011 and 2010 to determine if they were properly recorded in the accounting records and on each bank statement. We found no exceptions.

7. We tested investments held at November 30, 2011 and November 30, 2010 to determine that they:
 - a. Were of a type authorized by Ohio Rev. Code Sections 135.13, 135.14 or 135.144. We found no exceptions.
 - b. Mature within the prescribed time limits noted in Ohio Rev. Code Section 135.13 or 135.14. 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 2011 and 2010. We also selected all receipts from the County Auditor's DTLs from 2011 and all from 2010.
 - a. We compared the amount from the DTL/confirmation to the amount recorded in the Receipt Ledger. The amounts agreed.
 - b. We determined whether these receipts were allocated to the proper account code(s). We found no exceptions.
 - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Admission Receipts

We haphazardly selected one day of admission cash receipts from the year ended November 30 2011 and one day of admission cash receipts from the year ended November 30, 2010 recorded in the receipts ledger and determined whether the receipt amount agreed to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc). The amounts agreed.

Privilege Fee Receipts

We haphazardly selected 10 privilege fee cash receipts from the year ended November 30, 2011 and 10 privilege fee cash receipts from the year ended November 30, 2010 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.

Rental Receipts

We haphazardly selected 10 rental cash receipts from the year ended November 30, 2011 and 10 rental cash receipts from the year ended November 30, 2010 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. From the prior agreed-upon procedures documentation, we noted the following note outstanding as of November 30, 2009. This amount agreed to the Society's December 1, 2009 balances on the summary we used in step 3.

| Issue | Principal outstanding as of November 30, 2009: |
|------------------|--|
| Sutton Bank Note | \$103,260.71 |

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 2011 or 2010 or debt payment activity during 2011 or 2010. All debt noted agreed to the summary we used in step 3.
3. We obtained a summary of debt service payments including mortgage debt and loan/credit agreements permitted by Ohio Rev. Code Section 1711.13 owed during 2011 and 2010 and agreed these payments from the expenditure ledger to the related debt amortization schedule. We also compared the date the debt service payments were due to the date the Society made the payments. We found no exceptions.
4. We agreed the amount of debt proceeds from the debt documents to amounts recorded in the Receipt Ledger. The amounts agreed.
5. For new debt issued during 2011 and 2010, we inspected the debt legislation, noting the Society must use the proceeds for operating expenses during fair week. We scanned the expenditure ledger and noted the Society used the proceeds from a credit line for operating expenses during fair week in September of 2010.
6. We inquired of management, scanned the receipt ledger, and scanned the prior agreed upon procedures report and determined that the Society had a loan outstanding from a prior year and obtained a credit line in 2010 as permitted by Ohio Rev. Code Section 1711.13(B). We examined the Society's computation supporting that the total net indebtedness from loans and credit did not exceed twenty-five percent of its annual revenues. We found no exceptions.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2011 and one payroll check for five employees from 2010 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 found no exceptions.
2. For any new employees selected in step 1 we determined whether the following information in the employees' personnel files and minute record was consistent with the information used to compute gross and net pay related to this check:
 - a. Name
 - b. Authorized salary or pay rate
 - c. Retirement system participation and payroll withholding
 - d. Federal, State & Local income tax withholding authorization and withholding
 - e. Any other deduction authorizations (deferred compensation, etc.)

We found no exceptions related to steps a – e above.

3. We scanned the last remittance of tax and retirement withholdings for the year ended November 30, 2011 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 2011. We noted the following:

| Withholding (plus employer share, where applicable) | Date Due | Date Paid | Amount Due | Amount Paid |
|--|----------------------|----------------------|---|---|
| Federal income taxes, social security, & Medicare | December 15, 2011 | December 13, 2011 | Federal income taxes: \$1,081 Social Security: \$1,328.95 Medicare: \$370.56 | Federal income taxes: \$1,081 Social Security: \$1,328.95 Medicare: \$370.56 |
| State income taxes | December 15, 2011 | December 14, 2011 | \$272.24 | \$272.24 |
| Local income tax | December 15, 2011 | December 13, 2011 | \$191.68 | \$191.68 |

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Expenditure Report for the year ended November 30, 2011 and ten from the year ended 2010 and determined whether:
- The disbursements were for a proper public purpose. We found no exceptions.
 - The check number, date, payee name and amount recorded on the returned, canceled check 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.
 - Based on the nature of the expenditure, the account coding is reasonable. We found no exceptions.

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, the Auditor of State, and others within the Society, and is not intended to be, and should not be used by anyone other than these specified parties.

Charles E. Harris, Associate

Charles E. Harris & Associates, Inc.
 February 17, 2012



Dave Yost • Auditor of State

ASHLAND COUNTY AGRICULTURAL SOCIETY

ASHLAND 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 24, 2012