



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Columbiana County Agricultural Society
Columbiana County
PO Box 356
Lisbon, Ohio 44432

We have performed the procedures enumerated below, with which the Board of Directors and the management of Columbiana 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, 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 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 accounting records. The amounts agreed.
4. We confirmed the November 30, 2011 and 2010 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 and 2010 bank reconciliations without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the November 30, 2011 and 2010 bank reconciliations:
 - 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.

Cash and Investments – (Continued)

6. 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.
 - a. We compared the amount from the above report 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, 2011 and one day of admission/grandstand 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, deposit slips).

We noted that the ticket forms did not have the beginning or ending tickets attached to the form. Also, we scanned the remaining ticket forms and noted that during the week (Monday through Friday) different prices are charged for the tickets (\$6 before 3 PM and \$8 after 3 PM). The ticket form reflects the total amount collected at each price point and the amount agreed with the deposit. However, there is no supporting documentation from each cashier to support the tickets sold at each price point. Although they are prepared daily by each ticket collector, these forms are summarized on one daily re-cap form. The individual ticket accountability forms are then destroyed. We performed a five year analytic and determined that the admissions remained consistent between years.

Ohio Revised Code Section 149.351 requires that all records are the property of the public office concerned and shall not be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by law or under the rules adopted by the records commission provided for under sections 149.38 to 149.42 of the Revised Code.

We recommend the Agricultural Society not destroy the supporting documentation for the daily gate admissions.

Privilege Fee Receipts

We haphazardly selected 10 privilege fee cash receipts from the year ended November 30, 2010 (we did not test this for 2011 as Privilege Fees did not meet the threshold) 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.

Over-The-Counter Cash Receipts

We haphazardly selected 10 over-the-counter cash receipts from the year ended November 30, 2011 (there were no over the counter receipts which met the threshold for 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. Receipt was posted to the proper funds, and was recorded in the proper year. We found no exceptions.

Debt

1. From the prior agreed-upon procedures documentation, we noted the following loan outstanding as of November 30, 2009. These amounts agreed to the Societies December 1, 2009 balances on the summary we used in step 3.

Issue	Principal outstanding as of November 30, 2009:
Beef Complex Loan	\$25,879

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. We noted no new debt issuances. However, the debt payment activity during 2011 or 2010 agreed to the summary we used in step 3.
3. We obtained a summary of debt service payments 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.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for three employees from 2011 and one payroll check for four 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.

Payroll Cash Disbursements – (Continued)

2. 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	January 31, 2012	01/17/12	\$894.30	\$894.30
State income taxes	January 15, 2012	01/16/12	\$66.36	\$66.36
School District Tax	January 31, 2012	01/16/12	\$11.42	\$11.42
Local income tax	January 31, 2012	01/16/12	\$69.52	\$69.52

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:
 - a. The disbursements were for a proper public purpose. We found the following exceptions for the improper payment of seminar registrations and meal reimbursements documented below.
 - b. 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.
 - c. Based on the nature of the expenditure, the account coding is reasonable. We found no exceptions.

Improper Payment of Registration and Luncheon Fees by Spouses and Guests

After reviewing voucher numbers 2172, 2232, 3405, 3463 and 4488. We noted that the Agricultural Society paid for Board members spouses and/or guests to attend conferences. The table below includes both the registration fees for the spouses and/or guests and any meals associated with that individual attending the conference(s).

	2010	2011	Total
Nancy Stark	\$109	\$58	\$167
Jerry Cope	\$17	\$18	\$35
Shirley Crosser	\$57	\$58	\$115
Denise Fieldhouse	\$40		\$40
John Wolfe		\$18	\$18
Paul Lease		\$18	\$18
John Karlen		\$18	\$18

We recommend the individuals noted above repay the Agricultural Society for the registrations fees and meals associated with the conferences attended in 2010 and 2011. In addition, we recommend that the Agricultural Society only pay for employees and Board members to attend Fair related conferences.

Non-Payroll Cash Disbursements – (Continued)

Officials' Response – As for the admissions testing and the disposal of the supporting documentation, Management was not aware that the supporting documents were considered public record and therefore, should not be discarded. She has maintained the supporting documentation for the 2012 year.

In regards to paying for a Board Member's Spouse to attend conferences the Management was not aware that this was not a proper public purpose for Agricultural Society expenditures. They will in the future have all spouses reimburse the Agricultural Society for any expenditure made on their behalf.

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.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

October 1, 2012

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COLUMBIANA COUNTY AGRICULTURAL SOCIETY

COLUMBIANA 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
DECEMBER 13, 2012**