



Dave Yost • Auditor of State





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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Portage County Agricultural Society  
Portage County  
P.O. Box 213  
Randolph, Ohio 44265

We have performed the procedures enumerated below, with which the Board of Directors and the management of Portage 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, 2010 and 2009, 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, 2010 and November 30, 2009 bank reconciliations. We found no exceptions.
2. We agreed the December 1, 2009 beginning fund balances recorded to the November 30, 2008 balances in the prior year audited statements. We found no exceptions.
3. We compared the totals per the bank reconciliations to the total of November 30, 2010 and 2009 fund cash balances reported in the general ledgers. The amounts did not agree.

The fund cash balance shown in the general ledger at November 30, 2010 was \$638,478 and the fund cash balance in the November 30, 2010 bank reconciliation was \$673,388, with a difference of \$34,910. The fund cash balance shown in the general ledger at November 30, 2009 was \$675,564 and the fund cash balance in the November 30, 2009 bank reconciliation was \$638,478, with a difference of \$37,086.

We noted that prior month ending general ledger balances are not accurately carried forward to the subsequent month's beginning balance, resulting in the fiscal year end variances. We recommend the Society increase the November 30, 2010 fund balances by \$40,280, to correct the variances noted in steps 3 and 4.

#### **Cash and Investments – (Continued)**

4. We confirmed the November 30, 2010 bank account balances with the Society's financial institutions. We also agreed the confirmed balances to the amounts appearing in the November 30, 2010 bank reconciliation. We found the following exceptions:

The Society recorded incorrect amounts for three separate certificates of deposit on their bank reconciliation for November 30, 2010. The Society undervalued these three certificates of deposit by \$5,370 in 2010.

5. We selected five outstanding checks haphazardly from the November 30, 2010 bank reconciliation:
  - a. We traced each check to the debit appearing in the subsequent December bank statement. We found no exceptions.
  - b. We traced the amounts and date written to the check register, to determine the checks were dated prior to November 30. We noted no exceptions.
6. We tested investments held at November 30, 2010 and November 30, 2009 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 2010 and 2009.
  - 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/Grandstand Receipts**

We haphazardly selected one day of admission/grandstand cash receipts from the year ended November 30, 2010 and one day of admission/grandstand cash receipts from the year ended November 30, 2009 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, 2010 and 10 privilege fee cash receipts from the year ended November 30, 2009 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, 2010 and 10 rental cash receipts from the year ended November 30, 2009 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. The prior audit report disclosed no debt outstanding as of November 30, 2008.
2. We noted no new debt issuances, nor any debt payment activity during 2010 or 2009.

### **Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for five employees from 2010 and one payroll check for five employee from 2009 from the Payroll Register and determined whether the following information in the 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.

2. We tested the checks we selected in step 1, as follows:
  - a. We compared the hours and pay rate, or salary amount used in computing gross pay to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.

**Payroll Cash Disbursements – (Continued)**

3. We scanned the last remittance of tax and retirement withholdings for the year ended November 30, 2010 to determine whether remittances were timely paid, and that the amounts paid agreed to the amounts withheld during the final withholding period during 2010. We noted the following:

<b>Withholding</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Withheld</b>	<b>Amount Paid</b>
Federal income taxes and social security	January 31, 2011	December 2, 2010	\$ 606.22	\$ 606.22
State income taxes	January 31, 2011	January 25, 2011	\$1,240.91	\$1,240.91

**Non-Payroll Cash Disbursements**

1. We haphazardly selected ten disbursements from the Expenditure Report for the year ended November 30, 2010 and ten from the year ended 2009 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.

**Officials' Response**

Management agreed with the above exceptions and had agreed to make the required adjustments in their records.

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 and those charged with governance and is not intended to be, and should not be used by anyone other than these specified parties.



**Dave Yost**  
Auditor of State

November 30, 2011



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PORTAGE COUNTY AGRICULTURAL SOCIETY

PORTAGE 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  
JANUARY 26, 2012