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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Shelby County Agricultural Society
Shelby County
PO Box 4281
Sidney, Ohio 45365

We have performed the procedures enumerated below, with which the Board of Directors and the management of Shelby 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, 2014 and 2013, 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, 2014 and November 30, 2013 bank reconciliations. We found no exceptions.
2. We agreed the December 1, 2012 beginning fund balances recorded to the November 30, 2012 balances in the prior year audited statements. We found no exceptions. We also agreed the December 1, 2013 beginning fund balances recorded to the November 30, 2013 balances. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the November 30, 2014 and 2013 fund cash balance reported in the Quickbooks Balance Sheet. The Society's financial statements are reported as of a November 30 fiscal year end, however they performed the cash reconciliations as of November 29, 2014 and November 28, 2013 for the years ended 2014 and 2013, respectively. We performed additional procedures to account for transactions that occurred on the respective reconciliation dates and thru year end to agree the actual reconciled cash balances to the underlying accounting records. Cash reconciliations should be performed as of the last date of the fiscal year.
4. We confirmed the November 30, 2014 bank account balances with the Society's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the November 30, 2014 bank reconciliation without exception.

Cash and Investments (Continued):

5. We selected five reconciling debits (such as outstanding checks) haphazardly from the November 30, 2014 bank reconciliation:
 - a. We traced each debit to the subsequent December bank statement. We found no exceptions.
 - b. We traced the amounts and dates to the Quickbooks General Ledger, to determine the debits were dated prior to November 30. We noted no exceptions.
6. We selected two reconciling credits (such as deposits in transit) haphazardly from the November 30, 2014 bank reconciliation:
 - a. We traced each credit to the subsequent December bank statement. We found no exceptions.
 - b. We agreed the credit amounts to the Quickbooks General Ledger. Each credit was recorded as a November receipt for the same amount recorded in the reconciliation.
7. We tested investments held at November 30, 2014 and November 30, 2013 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 2014 and 2013. We also selected all receipts from the County Auditor's Appropriation History Report from 2014 and all from 2013.
 - a. We compared the amount from the above reports to the amount recorded in the Quickbooks Deposit Detail Report. 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 2014 and one day of admission/grandstand cash receipts from the year ended November 30, 2013 recorded in the Quickbooks General 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, 2014 and 10 privilege fee cash receipts from the year ended November 30, 2013 recorded in the duplicate cash receipts book and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Quickbooks General 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, 2014 and 10 rental cash receipts from the year ended November 30, 2013 recorded in the duplicate cash receipts book and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Quickbooks General 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, 2014 and 10 over-the-counter cash receipts from the year ended 2013 recorded in the duplicate cash receipts book and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Quickbooks General Ledger. The amounts agreed.
- b. Receipt was posted to the proper fund, and was recorded in the proper year. We found no exceptions.

Debt

1. The prior audit documentation disclosed no debt outstanding as of November 30, 2012.
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 2014 or 2013 or debt payment activity during 2014 or 2013. We noted no new debt issuances during 2014 or 2013. We did note that there was a bank fee in the amount of \$50.00 that was posted as debt service, rather than as a general government expenditure.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2014 and one payroll check for five employees from 2013 from the Transaction List by Date Report and:
 - a. We compared the hours and pay rate, or salary recorded in the Transaction List by Date Report to supporting documentation (timecard or legislatively-approved rate or salary). We found one exception. We found one instance where an employee was paid for five hours more than the hours that were recorded on her timecard. We brought this to management's attention, and they are planning on talking to the employee about repaying it to the Society. Because we did not test all timecards, our report provides no assurance whether or not other similar errors occurred.
2. We scanned the third quarters remittance of tax and retirement withholdings for the year ended November 30, 2014 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 2014. We noted the following:

Payroll Cash Disbursements (Continued)

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes, social security, & Medicare (and social security, for employees not enrolled in pension system)	October 31, 2014	10/31/14	\$1,396.21	\$1,396.21
State income taxes	October 31, 2014	10/31/14	\$208.25	\$208.25
Ohio School District Tax	October 31, 2014	10/31/14	\$33.68	\$33.68
City of Sidney	October 31, 2014	10/27/14	\$88.20	\$88.20

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Quickbooks General Ledger for the year ended November 30, 2014 and ten from the year ended 2013 and determined whether:
 - a. The disbursements were for a proper public purpose. We found no exceptions.
 - 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 Quickbooks General 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.

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.



Dave Yost
 Auditor of State
 Columbus, Ohio

February 18, 2015



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SHELBY COUNTY AGRICULTURAL SOCIETY

SHELBY 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
MARCH 10, 2015**