

FAIRFIELD COUNTY VISITORS AND CONVENTION BUREAU, INC.

FAIRFIELD COUNTY

Agreed Upon Procedures

January 1, 2014 to December 31, 2015





Dave Yost • Auditor of State

Members of the Board
Fairfield County Visitors and Convention Bureau, Inc.
124 W. Main Street, Suite 200
Lancaster, Ohio 43130

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Fairfield County Visitors and Convention Bureau, Inc., Fairfield County, prepared by Charles E. Harris & Associates, Inc., for the period January 1, 2014 through December 31, 2015. 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 Fairfield County Visitors and Convention Bureau, Inc. is responsible for compliance with these laws and regulations.

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

Dave Yost
Auditor of State

July 11, 2016

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***FAIRFIELD COUNTY VISITORS AND CONVENTION BUREAU, INC.
FAIRFIELD COUNTY***

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Rockefeller Building
614 W Superior Ave Ste 1242
Cleveland, OH 44113-1306
Office phone - (216)-575-1630
Fax - (216) 436-2411

Charles E. Harris & Associates, Inc.
Certified Public Accountants

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Members of the Board
Fairfield County Visitors and Convention Bureau, Inc.
124 W. Main Street, Suite 200
Lancaster, Ohio 43130

We have performed the procedures enumerated below, to which the management of the Fairfield County Visitors Convention Bureau, Inc. (the Bureau) agreed, solely to assist the Bureau in evaluating whether it recorded all lodging taxes it received from the Fairfield County Auditor and City of Lancaster and to help evaluate whether the Bureau disbursed these lodging taxes for allowable purposes described below for the years ended December 31, 2015 and 2014. 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

1. We tested the mathematical accuracy of the December 31, 2015 and December 31, 2014 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2014 beginning fund balances recorded in the General Ledger Report to the December 31, 2013 balances in the prior year documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2015 beginning fund balances recorded in the General Ledger Report to the December 31, 2014 balances in the General Ledger Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2015 and 2014 fund cash balances reported in the General Ledger Report. At December 31, 2014, the books were higher than the reconciliation by \$1,624 but December 31, 2015 agreed.
4. We observed the year-end bank balances on the financial institution's website. The balances agreed. We also agreed the confirmed balances to the amounts appearing in the December 31, 2015 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2015 bank reconciliation:
 - a. We traced each debit to the subsequent January bank statement. We found no exceptions.
 - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to December 31. We noted no exceptions.

Cash Receipts

1. We confirmed with the City of Lancaster and Fairfield County Auditor the lodging taxes it paid to the Bureau during the years ending December 31, 2015 and 2014. The City of Lancaster and Fairfield County confirmed the following amounts:

Year Ended	Amount
City of Lancaster:	
December 31, 2015	\$154,899
December 31, 2014	\$145,206
Fairfield County:	
December 31, 2015	\$280,555
December 31, 2014	\$268,092

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

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 By-Laws and Constitution
- c. The Bureau's 501(c)(6) Tax Exemption
- d. City of Lancaster's Ordinance 19-94
- e. Fairfield County, Ohio's Resolution 7-17-81
- f. Contractual Agreement dated 1-29-85 between the County, Fairfield County Chamber of Commerce and the Bureau
- g. Ohio Revised Code (ORC) Section 5739.09 (A)(2)
- h. Auditor of State of Ohio (AOS) Bulletin 2003-005

The Bureau's tax exemption prohibits it from disbursements supporting a candidate's election.

ORC 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.

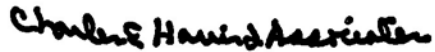
City of Lancaster's Ordinance Number 19-94 dated 5-9-94, permits the bureau to spend lodging taxes only as prescribed in the ORC.

Fairfield County Resolution 7-17-81 permits the Bureau to spend lodging taxes only as prescribed in the ORC.

2. We haphazardly selected forty disbursements of lodging taxes from the years ended December 31, 2015 and 2014 in addition to all disbursements exceeding \$5,000, 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, 2015 and 2014, 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.



Charles E. Harris & Associates, Inc.
June 27, 2016



Dave Yost • Auditor of State

FAIRFIELD COUNTY VISITORS CONVENTION BUREAU

FAIRFIELD 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
JULY 21, 2016**