

***ASHLAND AREA CONVENTION AND VISITORS BUREAU***

***ASHLAND COUNTY, OHIO***

**AGREED UPON PROCEDURES**

**For the Years Ended December 31, 2017 and 2016**







# Dave Yost • Auditor of State

Board of Directors  
Ashland Area Convention and Visitors Bureau  
211 Claremont Ave  
Ashland, Ohio 44805

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Ashland Area Convention and Visitors Bureau, Ashland County, prepared by Charles E. Harris & Associates, Inc., for the period January 1, 2016 through December 31, 2017. 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 Area Convention and Visitors Bureau is responsible for compliance with these laws and regulations.

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

Dave Yost  
Auditor of State

September 12, 2018

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**ASHLAND AREA CONVENTION AND VISITORS BUREAU  
ASHLAND COUNTY  
Agreed Upon Procedures  
For the Years Ended December 31, 2017 and 2016**

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

Board of Directors  
Ashland Area Convention and Visitors Bureau  
Ashland County  
211 Claremont Avenue  
Ashland, Ohio 44805

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of Ashland Convention & Visitor Bureau (the Bureau) and the Auditor of State, on the receipts, disbursements and balances recorded in the Bureau's cash basis accounting records for the years ended December 31, 2017 and 2016 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Bureau. The Bureau is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2017 and 2016 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Bureau. 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**

1. We recalculated the December 31, 2017 and December 31, 2016 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2016 beginning fund balances recorded in the Balance Sheet to the December 31, 2015 balances in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2017 beginning fund balances recorded in the Balance Sheet to the December 31, 2016 balances in the Balance Sheet. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2017 and 2016 fund cash balances reported on the Balance Sheet. The 2017 amounts agreed. However, the Balance Sheet was higher than the bank reconciliation balance by \$373 for 2016.
4. We observed the year-end bank balance on the financial institution's website. The balance agreed. We also agreed the observed balances to the amounts appearing in the December 31, 2017 bank reconciliation without exception.

### Cash Receipts

1. We confirmed with Ashland County the lodging taxes it paid to the Bureau during the years ending December 31, 2017 and 2016. The County confirmed the following amounts:

<b>Year Ended</b>	<b>Amount</b>
December 31, 2017	\$153,994
December 31, 2016	\$98,644

2. We compared the amounts from step 1 to amounts recorded as lodging tax receipts on the Bureau's Transaction Detail by Account Report. We found two exceptions. In 2017, the Bureau recorded \$148,984 of lodging tax receipts. The December 2016 payment of \$6,586 was recorded in 2017, the December 2017 payment of \$12,096 was not recorded in 2017, and other miscellaneous receipts of \$500 were misclassified as lodging tax revenue. In 2016, the Bureau recorded \$110,163 of lodging tax receipts. The December 2015 payment of \$7,065 was recorded in 2016, and the December 2016 payment of \$6,586 was recorded in 2017, as mentioned above. Furthermore, other miscellaneous receipts totaling \$11,040 were misclassified as lodging tax revenue.

### 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 Bylaws
- b. The Bureau's Agreement with Ashland County
- c. The Bureau's 501(c)(6) Tax Exemption
- d. Ohio Rev. Code Section 5739.09(A)(2)

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

Ohio Rev. Code 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.

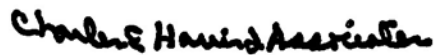
The Bureau's agreement with Ashland County restricts the Bureau to spending lodging tax for the purpose of promoting and fostering tourism, visitors and conventions within Ashland County.

2. We haphazardly selected forty disbursements of lodging taxes from the years ended December 31, 2017 and 2016 in addition to all disbursements exceeding \$1,000 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.



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*. We were not engaged to, and did not examine or review, the Bureau's lodging tax receipts and disbursements for the years ended December 31, 2017 and 2016, the objective of which would have been to opine on lodging tax receipts and disbursements or provide a conclusion. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that we would have reported to you.

This report is to provide assistance in the evaluation of the Bureau's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2017 and 2016, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.

A handwritten signature in black ink that reads "Charles E. Harris" followed by "Associates" in a smaller, less legible script.

**Charles E. Harris & Associates, Inc.**  
June 26, 2018

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# Dave Yost • Auditor of State

**ASHLAND AREA CONVENTION AND VISITORS BUREAU**

**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  
SEPTEMBER 25, 2018**