



**DELAWARE COUNTY CONVENTION AND VISITOR BUREAU
DELAWARE COUNTY**

AGREED-UPON PROCEDURES

FOR THE YEAR ENDED DECEMBER 31, 2018

**DELAWARE COUNTY CONVENTION AND VISITORS BUREAU
DELAWARE COUNTY
DECEMBER 31, 2018**

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OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Delaware County Convention and Visitor Bureau
Delaware County
34 S. Sandusky St.
Delaware, Ohio 43015

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of Delaware County Convention & Visitor Bureau (the Bureau), on the receipts, disbursements and balances recorded in the Bureau's cash basis accounting records for the year ended December 31, 2018 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 year ended December 31, 2018 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 and Investments

1. We recalculated the December 31, 2018 bank reconciliation. We found no exceptions.
2. We agreed the January 1, 2018 beginning fund balances recorded in the Balance Sheet to the December 31, 2017 balances in the prior year audited statements. We noted a variance of \$2,963 due to two adjustments made after December 31, 2017.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2018 fund cash balances reported in the Balance Sheet. The amounts agreed.
4. We confirmed the December 31, 2018 bank account balances with the Bureau's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2018 bank reconciliation without exception.
5. We selected all reconciling debits (such as outstanding checks) from the December 31, 2018 bank reconciliation:
 - a. We traced each debit to the subsequent January bank statement. Two debits, totaling \$1,699 were still outstanding.
 - b. We traced the amounts and dates to the Balance Sheet Detail Report, to determine the debits were dated prior to December 31. There were no exceptions.
6. We selected all reconciling credits (such as deposits in transit) from the December 31, 2018 bank reconciliation:
 - a. We traced each credit to the subsequent January bank statement. We found no exceptions.

- b. We agreed the credit amounts to the General Ledger. Each credit was recorded as a December receipt for the same amount recorded in the reconciliation; however, one receipt totaling \$20,801 should not have been included as a reconciling credit or as a December receipt since it was actually a January 2019 receipt, which resulted in the Bureau overstating ending fund balance for 2018 by \$20,801.
7. We inspected investments held at December 31, 2018 to determine that they:
 - a. Were of a type authorized by the CVB. We found no exceptions

Cash Receipts

1. We summarized lodging taxes the Delaware County's Detailed Expenditure Ledger reported as payments to the Bureau during the year ending December 31, 2018. The total reported disbursements were as follows:

| Year Ended | Amount |
|-------------------|-----------|
| December 31, 2018 | \$308,410 |

2. We compared the amount from step 1 to the amount recorded as lodging tax receipts on the Bureau's Trial Balance Report. 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 501(c)(6) Tax Exemption
- b. 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.

2. We selected a sample (agreed upon) of forty disbursements of lodging taxes from the year ended December 31, 2018 in addition to all disbursements exceeding \$3,000, 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 three exceptions: The Bureau issued one check for \$50 to pay for condolence flowers, and two checks totaling \$95 for miscellaneous food, drinks, and snacks. Ohio Rev. Code Section 5739.09(A)(2) does not permit using lodging taxes for these 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*. We were not engaged to, and did not examine or review the Bureau's lodging tax receipts and disbursements for the

year ended December 31, 2018, 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 year ended December 31, 2018, 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 "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber
Auditor of State

Columbus, Ohio

September 17, 2019

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OHIO AUDITOR OF STATE KEITH FABER



DELAWARE COUNTY CONVENTION AND VISITORS BUREAU

DELAWARE 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
OCTOBER 10, 2019**