



**LICKING COUNTY CONVENTION AND VISITORS BUREAU
LICKING COUNTY**

AGREED-UPON PROCEDURES

FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

LICKING COUNTY CONVENTION AND VISITORS BUREAU
LICKING COUNTY

TABLE OF CONTENT

TITLE	PAGE
Independent Accountant's Report on Applying Agreed-Upon Procedures.....	1

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Licking County Convention and Visitors Bureau
Licking County
5 South 3rd Street
Newark, Ohio 43055

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of Licking County Convention & Visitor Bureau (the Bureau) on the receipts, disbursements and balances recorded in the Bureau's cash basis accounting records for the years ended December 31, 2019 and 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 years ended December 31, 2019 and 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, 2019 and December 31, 2018 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2018 beginning fund balances recorded in the General Ledger to the December 31, 2017 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, 2019 beginning fund balances recorded in the General Ledger to the December 31, 2018 balances in the General Ledger. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2019 and 2018 fund cash balances reported in the General Ledger. The amounts agreed.
4. We confirmed the December 31, 2019 bank account balance with the Bureau's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2019 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) from the December 31, 2019 bank reconciliation:
 - a. We traced each debit to the subsequent January and February bank statements. We found one check for \$500 written September 3, 2019 to Ohio Lina Music Festival that did not clear the bank in January or February 2020.
 - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to December 31. There were no exceptions.
6. We inspected investments held at December 31, 2019 and December 31, 2018 to determine that they were of a type authorized by the Bureau. We found no exceptions.

Cash Receipts

1. We summarized lodging taxes Licking County's 2018 and 2019 Hotel Motel Total Reports reported as payments to the Bureau during the years ending December 31, 2019 and 2018. The total reported disbursements were as follows:

Year Ended	Amount
December 31, 2019	\$390,168.93
December 31, 2018	\$399,542.50

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 501(c)(6) Tax Exemption
- c. Ohio Rev. Code Section 5739.09(A)(2)
- d. Auditor of State Bulletin 2003-05
- e. Licking County Resolution 46-131

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.

Licking County Resolution 46-131 states that the Bureau shall provide an aggressive and promotional program to attract conventions, various organizations and visitors to Licking County and its facilities, for the benefit of the County's Citizens and businesses.

We selected 10 disbursements of lodging taxes from the General Ledger for the year ended December 31, 2019 and 10 disbursements from 2018 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 noted the following exceptions:

- a. The Bureau issued check 15598 for \$2,559.92 in which alcoholic beverages totaling \$9.50 were purchased. Auditor of State Bulletin 2003-005 does not permit using lodging taxes for this purpose. Accordingly, we are hereby issuing a finding for recovery against Carol Thress in the amount of \$9.50 in favor of the Licking County Convention and Visitors Bureau. The \$9.50 was repaid.
- b. We further noted several transactions paid with check 15598 that were for purchases that could be deemed not for proper public purpose, such as: food and coffee, sales tax, fuel points earned on personal Kroger Plus Cards, and late charges and interest fees.

Cash Disbursements (Continued)

- c. We also noted transactions totaling \$826 in which the Bureau did not maintain any supporting documentation as to what was purchased.

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, 2019 and 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 years ended December 31, 2019 and 2018, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.



Keith Faber
Auditor of State

Columbus, Ohio

August 24, 2020

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OHIO AUDITOR OF STATE KEITH FABER



LICKING COUNTY CONVENTION AND VISITORS BUREAU

LICKING COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 9/22/2020

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