

**HOLMES COUNTY TOURISM BUREAU  
HOLMES COUNTY**

**Agreed-Upon Procedures  
For the Years Ended December 31, 2022 and 2021**



**GUEYE & ASSOCIATES, CPA, INC.**

2246 S. Hamilton Rd. Suite 102  
Columbus, OH 43232

Tel: 614-342-0297  
Fax: 614-423-6615  
[www.gueyecpa.com](http://www.gueyecpa.com)

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OHIO AUDITOR OF STATE  
KEITH FABER



88 East Broad Street  
Columbus, Ohio 43215  
IPAReport@ohioauditor.gov  
(800) 282-0370

Board of Trustees  
Holmes County Tourism Bureau  
6 W. Jackson Street  
Millersburg, Ohio 44654

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Holmes County Tourism Bureau, prepared by Gueye & Associates, CPA, for the period January 1, 2021 through December 31, 2022. 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 Holmes County Tourism Bureau is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

August 01, 2023

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# GUEYE & ASSOCIATES, CPA, INC.

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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Holmes County Tourism Bureau  
Holmes County  
6 W. Jackson Street  
Millersburg, Ohio 44654

We have performed the procedures enumerated below on the Holmes County Tourism Bureau's (the Bureau) receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2022 and 2021 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, 2022 and 2021 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Bureau.

The Board of Trustees and the management of the Bureau have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing 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, 2022 and 2021, and certain compliance requirements related to these transactions and balances. Additionally, the Auditor of State has agreed to and acknowledged that the procedures performed are appropriate to meet their purposes. No other party acknowledged the appropriateness of the procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of the report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the parties specified in the 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.

For the purposes of performing these procedures, this report only describes exceptions exceeding \$10.

The procedures and the associated findings are as follows:

### Cash and Investments

1. We recalculated the December 31, 2022 and December 31, 2021 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2021 beginning fund balances recorded in the General Ledger to the December 31, 2020 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, 2022 beginning fund balances for each fund recorded in the General Ledger to the December 31, 2021 balances in the General Ledger. We found no exceptions.
3. We agreed the 2022 and 2021 bank reconciliation Bank Balances as of December 31, 2022, and 2021 to the total fund cash balances reported in the General Ledger. The 2022 bank reconciliation balance did not agree with the General Ledger's bank balance due to a \$7,654.27 adjustment.
4. We observed the year-end bank balance on the financial institution's website. The balance agreed. We also agreed the confirmed balances to the amounts appearing in the December 31, 2022 bank reconciliation without exception.

5. We selected five reconciling debits (such as outstanding checks) from the December 31, 2022 bank reconciliation:

- a. We traced four of the five debits selected to the subsequent January bank statement. One debit was still outstanding since 2019 and never cleared.

This outstanding check was in fact a duplicate expense that was canceled during the AUP period by the Bureau upon further investigation.

Sound accounting practices require that when designing the Bureau's system of internal control and the specific control activities, management should ensure adequate security of assets and records, and verify the existence and valuation of assets and liabilities and periodically reconcile them to the accounting records.

The reconciliation of cash (bank) balances to accounting system records (book) to the accounting system is the most basic and primary control process performed. Lack of completing an accurate and timely reconciliation may allow for accounting errors, theft and fraud to occur without timely detection.

The Fiscal Officer is responsible for reconciling the book (fund) balance to the total bank balance on a monthly basis, and the Board is responsible for reviewing the reconciliations and related support.

The Bureau's should ensure old outstanding checks are investigated, canceled and reissued if warranted.

- b. We traced the amounts and dates to the check register and determined the debits were dated prior to December 31. We found no exceptions.

6. We selected five reconciling credits (such as deposits in transit) from the December 31, 2022 bank reconciliation:

- a. We attempted to trace each credit to the subsequent January or February bank statements. None of the deposits in transit selected cleared the bank. The Bureau had a total of \$46,106.79 in reconciling credits, with some that dated back to 2020, and never cleared.

These credits were for various deposits including Map & Visitor guide sales. These sales were made through the credit card collection service shared by the Holmes County Chamber of Commerce and the Bureau. As of the date of this report, the Chamber had not remitted these receipts to the Bureau.

Sound accounting practices require that when designing the Bureau's system of internal control and the specific control activities, management should ensure adequate security of assets and records, and verify the existence and valuation of assets and liabilities and periodically reconcile them to the accounting records.

The reconciliation of cash (bank) balances to accounting system records (book) to the accounting system is the most basic and primary control process performed. Lack of completing an accurate and timely reconciliation may allow for accounting errors, theft and fraud to occur without timely detection.

The Fiscal Officer is responsible for reconciling the book (fund) balance to the total bank balance on a monthly basis, and the Board is responsible for reviewing the reconciliations and related support.

We recommend the Bureau continue working with the Chamber to get the outstanding items remitted and cleared, as well as working to refine the process of collecting, remitting, and reporting these receipts.

- b. We agreed the credit amounts to the General Ledger and determined they were dated prior to December 31. We found no exceptions.
7. We inspected investments held at December 31, 2022 and December 31, 2021 to determine that they were of a type authorized by the CVB. We found no exceptions.

### Cash Receipts

1. We confirmed with Holmes County the lodging taxes it paid to the Bureau during the years ending December 31, 2022, and 2021. Holmes County confirmed the following amounts:

Year Ended	Amount
December 31, 2022	\$954,118.09
December 31, 2021	\$911,652.23

2. We compared the amounts from step 1 to amounts recorded as lodging tax receipts on the Bureau's General Ledger. While the amounts agree in 2022, a total of \$4,000 was not recorded as lodging tax receipt in 2021.

Sound accounting practices require that when designing the Bureau's system of internal control and the specific control activities, management should ensure adequate security of assets and records, and verify the existence and valuation of assets and liabilities and periodically reconcile them to the accounting records.

The Finance Director is responsible for maintaining the books for the Bureau's books as well as the Chamber of Commerce's. The Finance Director was not aware of the error until it was brought to their attention. The \$4,000 was deposited into the Chamber of Commerce's bank account and was not reimbursed until 2023, after our inquiry.

The Bureau should establish and implement procedures to verify that all financial activity is recorded correctly and ensure all receipts are reviewed and deposited in the correct account.

### 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. Holmes County Resolution # 07-29-19-1
- d. Ohio Rev. Code § 5739.092

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

Ohio Rev. Code § 5739.092 restricts the Bureau to spending lodging tax "specifically for promotion, advertising, and marketing of the region in which the county is located."



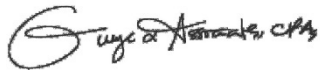
Auditor of State Bulletin 2003-005 concludes that disbursement of public funds (e.g. lodging taxes) for alcohol are generally improper. However, Auditor of State Bulletin 2014-003 explains when sales of alcohol at public events are permissible.

Resolution # 07-29-19-1 permits the Bureau to spend lodging taxes solely for the proper public purpose of fostering and promoting tourism, visitors and conventions within Holmes County, Ohio.

We selected 10 disbursements of lodging taxes from the General Ledger for the year ended December 31, 2022 and 10 disbursements from 2021 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 of the restrictions listed above.

We were engaged by the Bureau to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the AICPA and the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review engagement of the Bureau's lodging tax receipts and disbursements for the years ended December 31, 2022 and 2021, 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.

We are required to be independent of the Bureau and to meet our ethical responsibilities, in accordance with the ethical requirements established by the Comptroller General of the United States' *Government Auditing Standards* related to our agreed upon procedures engagement.



Columbus, Ohio  
May 31, 2023

# OHIO AUDITOR OF STATE KEITH FABER



**HOLMES COUNTY TOURISM BUREAU**

**HOLMES 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 8/15/2023**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)