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Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Butler Agricultural Society
Butler County
960 Four Mile Creek Road
Hamilton, Ohio 45013

We have performed the procedures enumerated below, with which the Board of Directors and the management of the Butler County Agricultural Society, Butler County, Ohio (the Society), agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended November 30, 2009 and 2008, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. 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 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 tested the mathematical accuracy of the November 30, 2009 and November 30, 2008 bank reconciliations. We found no exceptions.
2. We agreed the December 1, 2007 beginning fund balances recorded to the November 30, 2007 balances in the prior year audited statements. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the November 30, 2009 and 2008 fund cash balance reported in the Quickbook general ledger. The amounts agreed.
4. We confirmed the November 30, 2009 bank account balances with the Society's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the November 30, 2009 bank reconciliation without exception.
5. We selected five outstanding checks haphazardly from the November 30, 2009 bank reconciliation:
 - a. We traced each check to the debit appearing in the subsequent December bank statement. We found no exceptions.
 - b. We traced the amounts and date written to the check register, to determine the checks were dated prior to November 30. We noted no exceptions.

Intergovernmental Cash Receipts

1. We selected all the receipts from the Distribution Transaction Detail Report (State DTL) for 2009 and 2008.

- a. We compared the amount from the DTL/confirmation to the amount recorded in the Receipt Ledger. The amounts agreed.
- b. We determined whether these receipts were allocated to the proper account codes. We found no exceptions.
- c. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Admission/Grandstand Receipts

We haphazardly selected one day of admission and one day of grandstand cash receipts from the year ended November 30 2009 and one day of admission and one day of grandstand cash receipts from the year ended November 30, 2008 recorded in the receipts ledger and determined whether the receipt amounts agreed to the supporting documentation (master daily ticket log and master ticket price log). The amounts agreed.

Privilege Fee Receipts

We haphazardly selected 10 privilege fee cash receipts from the year ended November 30, 2009 and 10 privilege fee cash receipts from the year ended November 30, 2008 recorded in the duplicate cash receipts book and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Receipt Ledger. The amounts agreed.
- b. Amount charged complied with rates in force during the period. We found no exceptions.
- c. Receipt was recorded in the proper year. We found no exceptions.

Junior Livestock Auction Receipts

We selected three livestock auction sales from the year ended November 30, 2009 and three livestock auction sales from the year ended November 30, 2008. For each sale, we:

- a. Agreed the sale amount recorded in the cash receipts book to:
 - i. The auction bid records.
 - ii. Bank deposit from the sale
 - iii. The seller's invoice
 - iv. The amount on the check written to the seller.
- b. Agreed the auction bid records to:
 - i. The sum of the buyer's invoice amount plus the amount the third-party bidder agreed to pay, as documented on the market animal sale program report.
 - ii. Bank deposit for the purchase

We found no exceptions related to steps a – b above.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2009 and one payroll check for five employees from 2008 from the Payroll Register and Check Register and determined whether the following information in the minute record was consistent with the information used to compute gross and net pay related to this check:
 - a. Name.
 - b. Authorized salary.
 - c. Retirement system participation and payroll withholding.
 - d. Federal, State & Local income tax withholding authorization and withholding.

We found no exceptions related to steps a – d above.

2. We tested the checks we selected in step 1, as follows:
 - a. We compared the salary amount used in computing gross pay to supporting documentation (legislatively approved salary). We found no exceptions.
 - b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register and check register. We found no exceptions.
3. We scanned the last remittance of tax and retirement withholdings for the year ended November 30, 2009 to determine whether remittances were timely paid, and that the amounts paid agreed to the amounts withheld during the final withholding period during 2009. We noted the following:

Withholding	Date Due	Date Paid	Amount Withheld	Amount Paid
Federal income taxes and social security	January 31, 2010	December 13, 2009	\$1,503	\$1,503
State income taxes	February 1, 2010	January 29, 2010	405	405
Local income tax	January 31, 2010	January 29, 2010	132	132

Non-Payroll Cash Disbursements

1. We agreed total disbursements (non-payroll and payroll) from the check register to the Annual Report for the years ended November 30, 2009 and 2008. We found no exceptions.
2. We haphazardly selected ten disbursements from the Expenditure Report for the year ended November 30, 2009 and ten from the year ended 2008 and determined whether:
 - a. The disbursements were for a proper public purpose. We found no exceptions.
 - b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Expenditure Ledger and to the names and amounts on the supporting invoices. We found no exceptions.

- c. Based on the nature of the expenditure, the account coding is reasonable. We found no exceptions.

Compliance – Contracts & Expenditures

We inquired of management, who informed us of one construction contract in effect during 2008 and 2009. We read the contract with Wayne Building Inc. for \$86,920 for the construction of a Pavilion, and noted that it did not require the contractor to pay prevailing wages to their employees as required by Ohio Rev. Code Sections 4115.04 and 4115.05. The contract did not include the Ohio Department of Commerce's schedule of prevailing rates.

Officials' Response:

We received no response to this finding.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Society's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management and those charged with governance and is not intended to be, and should not be used by anyone other than these specified parties.



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August 19, 2010



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BUTLER COUNTY AGRICULTURAL SOCIETY

BUTLER 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 16, 2010**