



**MORROW COUNTY AGRICULTURAL SOCIETY
MORROW COUNTY**

AGREED-UPON PROCEDURES

FOR THE YEARS ENDED NOVEMBER 30, 2014 AND 2013



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Directors
Morrow County Agricultural Society
Morrow County
P.O. Box 168
Mt. Gilead, OH 43338

We have performed the procedures enumerated below, with which the Board of Directors and the management of the Morrow County Agricultural Society (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, 2014 and 2013, 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 and Investments

1. We tested the mathematical accuracy of the November 30, 2014 and November 30, 2013 bank reconciliations. We found no exceptions.
2. We agreed the December 1, 2012 beginning fund balances recorded to the November 30, 2012 balances in the prior year Agreed-Upon Procedures working papers. We also agreed the December 1, 2013 beginning fund balances recorded to the November 30, 2013 balances. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the November 30, 2014 and 2013 fund cash balance reported in the *General Ledger*. The amounts agreed.
4. We confirmed the November 30, 2014 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, 2014 bank reconciliation. We noted a variance of \$35 between the amount recorded on the reconciliation and the amount per the bank statement for the Mosher CD. The amount per the reconciliation was noted as \$69,338 and the amount per the bank statement was noted as \$69,373. Variance is due to the untimely posting of interest.

We recommend that the Society post interest receipts in a timely manner so that the Board reviews the most current financial information.

Cash and Investments (Continued)

5. We selected five reconciling debits (such as outstanding checks) haphazardly from the November 30, 2014 bank reconciliation:
 - a. We traced each debit to the subsequent December and January bank statements. We noted one check was still outstanding as of 1/31/15.
 - b. We traced the amounts and dates to the *General Ledger*, to determine the debits were dated prior to November 30. We noted no exceptions.
6. We tested investments held at November 30, 2014 and November 30, 2013 to determine that they:
 - a. Were of a type authorized by Ohio Rev. Code Sections 135.13, 135.14 or 135.144. We found no exceptions.
 - b. Mature within the prescribed time limits noted in Ohio Rev. Code Section 135.13 or 135.14. We noted no exceptions.

Intergovernmental and Other Confirmable Cash Receipts

1. We selected all receipts from the Distribution Transaction Detail Report (State DTL) for 2014 and 2013. We also selected all receipts from the County Auditor's *Vendor Journal Display* from 2014 and all from 2013:
 - a. We compared the amount from the above reports to the amount recorded in the *General Ledger*. The amounts agreed.
 - b. We determined whether these receipts were allocated to the proper account code(s). We found no exceptions.
 - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.
2. We confirmed the restricted amounts paid from the Mosher Estate during the year ending November 30, 2013. We found no exceptions.
 - a. We determined whether these receipts were allocated to the proper account code. We found no exceptions.
 - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Admission Receipts

We haphazardly selected one day of admission cash receipts from the year ended November 30, 2014 and one day of admission cash receipts from the year ended November 30, 2013 recorded in the *Transaction Detail by Account* and determined whether the receipt amount agreed to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc).

For September 1, 2014, the amount recorded in the *Transaction Detail by Account* for September 1, 2014 was \$16,215.

- a. The ticket sales recapitulation reported 2,465 admission tickets and 6 concession passes sold on that date.
- b. The admission price per ticket was \$6 for admission tickets and \$25 for concession passes.
- c. Therefore the recapitulation sheet multiplied by the admission price and concession price supports admission receipts of \$14,790 and concession receipts of \$150 for total admission receipts of \$14,940 for September 1, 2014, which is less than the amount recorded by \$1,275.

Admission Receipts (Continued)

For September 1, 2013, the amount recorded in the *Transaction Detail by Account* for September 1, 2013 was \$17,281.

- a. The ticket sales recapitulation reported 2,847 tickets sold on that date.
- b. The admission price per ticket was \$6.
- c. Therefore the recapitulation sheet multiplied by the admission price supports admission receipts of \$17,082 for September 1, 2013, which is less than the amount recorded by \$199.

However, because we did not test all admission receipts our report provides no assurance regarding whether or not other similar errors occurred.

We recommend that the Board of Directors adopt and implement collection procedures that require any overages or shortages between daily gate collections and daily deposits to be noted by the gate admission supervisor with an explanation for unusual discrepancies.

Privilege Fee Receipts

We haphazardly selected 10 privilege fee cash receipts from the year ended November 30, 2014 and 10 privilege fee cash receipts from the year ended November 30, 2013 recorded in the *Transaction Detail by Account* and determined whether the:

- a. Receipt amount agreed to the amount recorded in the duplicate receipt book. The amounts agreed.
- b. Amount charged complied with rates in force during the period. There was no documented support for ride receipts in both 2014 and 2013 and we were unable to determine if the correct rate was charged.
- c. Receipt was recorded in the proper year. We found no exceptions.

However because we did not test all privilege receipts our report provides no assurance regarding whether or not other similar errors occurred.

We recommend that the Board of Directors adopt and implement collection procedures for ride receipts so a recalculation of receipts can be completed and overages or shortages between privilege receipts and deposits can be noted with an explanation for unusual discrepancies.

Rental Receipts

We haphazardly selected 10 rental cash receipts from the year ended November 30, 2014 and 10 rental cash receipts from the year ended November 30, 2013 recorded in the duplicate cash receipt book and determined whether the:

- a. Receipt amount agreed to the amount recorded in the *General 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.

Debt

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of November 30, 2012.
2. We inquired of management, and scanned the receipt and expenditure records for evidence of loan or credit agreements, and bonded, note, County, or mortgage debt issued during 2014 or 2013 or debt payment activity during 2014 or 2013. We noted no new debt issuances, nor any debt payment activity during 2014 or 2013.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2014 and one payroll check for five employees from 2013 from the *General Ledger* and:
 - a. We compared the hours and pay rate, or salary recorded in the *General Ledger* to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
 - b. We recomputed gross and net pay and agreed it to the amount recorded in the *General Ledger*. We found no exceptions.

2. For any new employees selected in step 1 we determined whether the following information in the employees' personnel files were consistent with the information used to compute gross and net pay related to this check:
 - a. Name
 - b. Authorized salary or pay rate
 - c. Retirement system participation and payroll withholding
 - d. Federal, State & Local income tax withholding authorization and withholding
 - e. Any other deduction authorizations (deferred compensation, etc.)

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

3. We scanned the last remittance of tax and retirement withholdings for the year ended November 30, 2014 to determine whether remittances were timely paid, and that the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2014. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes, social security, & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2015	12/4/14	\$1,028	\$1,028
State income taxes	January 31, 2015	11/24/14 & 1/21/15	\$204.54	\$204.54
School District income taxes	January 31, 2015	11/24/14 & 1/21/15	\$50.09	\$50.09

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the *General Ledger* for the year ended November 30, 2014 and ten from the year ended 2013 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 *General 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.

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, those charged with governance, and others within the Society, and is not intended to be, and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

Dave Yost
Auditor of State

Columbus, Ohio

April 21, 2015

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MORROW COUNTY AGRICULTURAL SOCIETY

MORROW 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
MAY 12, 2015**