



Dave Yost • Auditor of State



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Pike County Agricultural Society
Pike County
311 Mill Street
Piketon, Ohio 45661

We have performed the procedures enumerated below, with which the Board of Directors and the management of Pike 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 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. Test the mathematical accuracy of the November 30, 2014 bank reconciliations. We found no exceptions.
2. We agreed the December 1, 2013 beginning cash balance recorded to the November 30, 2013 balance in the prior year documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the November 30, 2014 fund cash balance reported in the Pike County Agricultural Balance Sheet. 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 without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the November 30, 2014 bank reconciliation:
 - a. We noted all checks were outstanding at the time of testing.
 - b. We traced the amounts and dates to the Profit and Loss Detail Report and prior year work papers, to determine the debits were dated prior to November 30. We noted no exceptions.

Checks that have been outstanding for an extended period of time (normally more than six months to one year) should be taken off the outstanding check listing and placed in an unclaimed monies fund or reissued to the payee.

Two out of five checks tested on the outstanding check list were over one year old. This could result in cumbersome reconciliations.

We recommend the Society's Fiscal Officer remove these checks from the outstanding check listing and place them in an unclaimed monies fund or reissue the checks to the payee.

Intergovernmental and Other Confirmable Cash Receipts

1. We selected all four receipts from the Distribution Transaction Detail Report (State DTL) for 2014. We also both receipts from the County Auditor's Budgetary Inquiry Report from 2014.
 - a. We compared the amount from the above reports to the amount recorded in the Profit and Loss Detail Report. The amounts agreed.
 - b. We determined whether these receipts were allocated to the proper account codes. We noted \$22 received from the state as a refund for a payment for horseracing tax was received to account 1550 Racing Tax instead of 7210 Horse Racing Tax Expenses. We also noted \$1,000 received from the Ohio Fairs fund was posted to account 2140 State Support Stake Racing instead of 2130 State Support Track Maintenance.
 - 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/grandstand cash receipts from the year ended November 30 2014 recorded in the Profit and Loss Detail Report and determined whether the receipt amount agreed to the supporting documentation (Record of Attendance and Receipts and duplicate cash receipts). The amounts agreed.

Rental Receipts

We haphazardly selected 10 rental cash receipts from the year ended November 30, 2014 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 noted one camping registration noted a \$75 camping fee with no additional fees noted, however the receipt amount was for \$102. We further noted two receipts with no support on file.

Proper supporting documentation is required to support the validity of transactions. There were no contracts on file for 20% of the rental receipts tested in 2014. One registration had fees that did not agree to the rental amount and one registration was not signed.

Lack of supporting documentation could lead to questioned rates and potential finding for recovery.

We recommend that contracts be kept on file for any building or space the Society rents to the public.

- c. Receipt was recorded in the proper year. We found no exceptions.

Over-The-Counter Cash Receipts

We haphazardly selected 10 over-the-counter cash receipts from the year ended November 30, 2014 recorded in the duplicate cash receipts book and determined whether the:

- a. Receipt amount agreed to the amount recorded in the receipt ledger. We one receipt where the amount on the carbon copy of the duplicate receipt showed \$643, but was altered with a pen to show \$543, which is the amount entered into the Profit and Loss Detail Report.
- b. Receipt was posted to the proper funds, and was recorded in the proper year. We found no exceptions.

Debt

- 1. From the prior documentation, we noted the following loans outstanding as of November 30, 2013.

Issue	Principal outstanding as of November 30, 2013:
County Loan	\$88,148

- 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.

Non-Payroll Cash Disbursements

- 1. We haphazardly selected ten disbursements from the Expenditure Report for the year ended November 30, 2014 and determined whether:
 - a. The disbursements were for a proper public purpose.
 - 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 noted two disbursements had no supporting invoices.

Supporting documentation is required to prove the legitimacy of transactions. 20% of the nonpayroll expenditures tested had no supporting documentation on file. Lack of supporting documentation could lead to questioned costs and potential findings for recovery.

We recommend supporting documentation be kept for all disbursements and that a disbursement is not made until appropriate documentation has been obtained.

- 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 "D" and "Y".

Dave Yost
Auditor of State

Columbus, Ohio

January 13, 2015



Dave Yost • Auditor of State

PIKE COUNTY AGRICULTURAL SOCIETY

PIKE 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
JANUARY 29, 2015**