

***STARK COUNTY AGRICULTURAL SOCIETY***

**Stark County**

**Agreed-Upon Procedures**

**For the Years Ended November 30, 2016 and 2015**







# Dave Yost • Auditor of State

Board of Directors  
Stark County Agricultural Society  
PO Box 80279  
Canton, Ohio 44708-0279

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Stark County Agricultural Society, prepared by Charles E. Harris & Associates, Inc., for the period December 1, 2014 through November 30, 2016. 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 Stark County Agricultural Society is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

June 6, 2017

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**Stark County Agricultural Society**  
**Stark County**  
**Agreed-Upon Procedures**  
*For the Years Ended November 30, 2016 and 2015*

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**Independent Accountant's Report on Applying Agreed-Upon Procedures**

Stark County Agricultural Society  
Stark County  
PO Box 80279  
Canton, Ohio 44708-0279

We have performed the procedures enumerated below, which were agreed to by the Board of Directors and the management of the Stark County Agricultural Society (the Society) and the Auditor of State, on the receipts, disbursements and balances recorded in the Society's cash basis accounting records for the years ended November 30, 2016 and 2015 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Society. The Society is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended November 30, 2016 and 2015 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Society. 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 recalculated the November 30, 2016 and November 30, 2015 bank reconciliations. We found no exceptions.
2. We agreed the December 1, 2014 beginning fund balances recorded to the November 30, 2014 balances in the prior year audited statements. We found no exceptions. We also agreed the December 1, 2015 beginning fund balances recorded to the November 30, 2015 balances. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the November 30, 2016 and 2015 fund cash balance reported in the General Ledger. The amounts agreed.
4. We observed the year-end bank balances on the financial institution's website. The balances agreed. We also agreed the observed balances to the amounts appearing in the November 30, 2016 bank reconciliation without exception.

5. We selected five reconciling debits (such as outstanding checks) haphazardly from the November 30, 2016 bank reconciliation:
  - a. We traced each debit to the subsequent December bank statement. We found two outstanding checks that had not cleared as of the date of this report. There were no exceptions.
  - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to November 30. There were no exceptions.

### **Intergovernmental and Other Confirmable Cash Receipts**

1. We selected all the receipts from the Distribution Transaction Detail Report (State DTL) for 2016 and 2015. We also haphazardly selected five receipts from the County Auditor's Vendor Payments by Vendor Number Report from 2016 and five from 2015.
  - a. We compared the amount from the above reports to the amount recorded in the General Ledger. The amounts agreed.
  - b. We inspected the General Ledger to determine whether these receipts were allocated to the proper account codes. We found no exceptions.
  - c. We inspected the General Ledger to determine whether the receipts were recorded in the proper year. We found no exceptions.

### **Admission and Grandstand Receipts**

We haphazardly selected one day of admission/grandstand cash receipts from the year ended November 30, 2016 and one day of admission/grandstand cash receipts from the year ended November 30, 2015 recorded in the General Ledger and agreed the receipt amount agreed to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc). The amounts agreed.

### **Privilege Fee Receipts**

We haphazardly selected 10 privilege fee cash receipts from the year ended November 30, 2016 and 10 privilege fee cash receipts from the year ended November 30, 2015 recorded in the duplicate cash receipts book and:

- a. Agreed the receipt amount to the amount recorded in the General Ledger. The amounts agreed.
- b. Compared the rates charged with rates in force during the period. During 2015, we found two instances where the incorrect rate was charged.
- c. Confirmed the receipt was recorded in the proper year. We found no exceptions.

### **Rental Receipts**

We haphazardly selected 10 rental cash receipts from the year ended November 30, 2016 and 10 rental cash receipts from the year ended November 30, 2015 recorded in the duplicate cash receipts book and:

- a. Agreed the receipt amount to the amount recorded in the General Ledger. The amounts agreed.
- b. Agreed the rate charged with rates in force during the period. During 2016, we found three instances where the incorrect rate was charged.
- c. Inspected the General Ledger to determine whether the receipt was recorded in the proper year. We found no exceptions.



## **Debt**

1. The prior audit documentation disclosed no debt outstanding as of November 30, 2014.
2. We inquired of management, and inspected the General Ledger for evidence of loan or credit agreements, and bonded, note, County, or mortgage debt issued during 2016 or 2015 or debt payment activity during 2016 or 2015. All debt noted agreed to the summary we used in step 3.
3. We obtained a summary of debt service payments owed during 2016 and 2015 and agreed these payments from the General Ledger to the total balance due. We also compared the date the debt service payments were due to the date the Society made the payments. We found no exceptions.
4. We agreed the amount of debt proceeds from the debt documents to amounts recorded in the General Ledger. The amounts agreed.
5. For new debt issued during 2016 and 2015, we inspected the debt legislation, noting the Society must use the proceeds to provide capital for the week of the fair. We inspected the General Ledger and observed the Society used these proceeds for expenses associated with fair week.
6. We inquired of management, inspected the General Ledger, and the prior audit report to determine whether the Society had a loan or credit agreement outstanding from a prior year as permitted by Ohio Rev. Code Section 1711.13(B). We recalculated the Society's computation supporting that the total net indebtedness from loans and credit did not exceed twenty-five percent of its annual revenues. We found no exceptions.

## **Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for five employees from 2016 and one payroll check for five employees from 2015 from the Payroll Register and:
  - a. We compared the hours and pay rate, or salary recorded in the Payroll Register to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found one instance where an employee was paid \$35 less than the salary calculated per the employment contract. We brought this to management's attention, and they added this amount to a subsequent payment to this employee. Because we did not compare all timecards, our report provides no assurance whether or not other similar errors occurred.

2. We inspected the last remittance of tax and retirement withholdings for the year ended November 30, 2016 to confirm 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 2016. We observed the following:

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes, social security, & Medicare (and social security, for employees not enrolled in pension system)	December 31, 2016	December 15, 2016	\$1,881.18	\$1,881.18
State income taxes	December 15, 2016	December 14, 2016	\$151.44	\$151.44
City of Canton Local income tax	January 31, 2017	January 25, 2017	\$113.07	\$113.07

### **Non-Payroll Cash Disbursements**

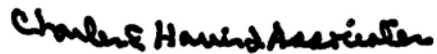
1. We haphazardly selected ten disbursements from the General Ledger for the year ended November 30, 2016 and ten from the year ended November 30, 2015 and determined whether:
  - a. The disbursements were for a proper public purpose. We found no exceptions.
  - b. The check number, date, payee name 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.

### **Other Compliance**

1. Ohio Rev. Code Section 117.38 requires agricultural societies to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. We confirmed the Society filed their complete financial statements, as defined by AOS Bulletin 2016-007, within the allotted timeframe for the years ended November 30, 2016 and 2015 in the Hinkle System. For 2016 and 2015, the Society filed on time however, the financial statements did not include the notes to the financial statements as required. The Society refiled their financial statements including the notes to the financial statements after the allotted timeframe.

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

This report is for the use of the Society to assist in evaluating its receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended November 30, 2016 and 2015, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.

A handwritten signature in black ink that reads "Charles E. Harris" followed by a stylized flourish.

*Charles E. Harris & Associates, Inc.*  
May 24, 2017

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# Dave Yost • Auditor of State

STARK COUNTY AGRICULTURAL SOCIETY

STARK 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  
JUNE 20, 2017