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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Carroll County Agricultural Society
Carroll County
P.O. Box 263
Carrollton, Ohio 44615

We have performed the procedures enumerated below, with which the Board of Directors and the management of Carroll 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, 2010 and 2009, 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, 2010 and November 30, 2009 bank reconciliations. We found no exceptions.
2. We agreed the December 1, 2009 beginning fund balances recorded to the November 30, 2008 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, 2010 and 2009 fund cash balance reported in the general ledger. The amounts agreed at November 30, 2009. However, the balance from the bank reconciliation was \$2,232 more than the amount shown in the general ledger at November 30, 2010. The variance occurred because the total amount of outstanding checks on the bank reconciliation was overstated by \$2,232. The Fiscal Officer should take steps necessary to assure that the outstanding checklist used to reconcile is accurate and complete.
4. We confirmed the November 30, 2010 bank account balances with the Society's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the November 30, 2010 bank reconciliation without exception.
5. We selected five outstanding checks haphazardly from the November 30, 2010 bank reconciliation:
 - a. We traced each check to the debit appearing in the subsequent December and January bank statements. We found no exceptions.
 - b. We traced the amounts and date written to the general ledger, to determine the checks were dated prior to November 30. We noted no exceptions.

Intergovernmental and Other Confirmable Cash Receipts

1. We selected all the receipts from the Distribution Transaction Detail Report (State DTL) for 2010 and 2009.
 - a. We compared the amount from the DTL/confirmation to the amount recorded in the General 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.

2. We confirmed the \$50,000 donation paid from Rosebud Mining Company during the year ending November 30, 2010 with the deposit receipt and newspaper article. We confirmed the \$20,000 donation paid from John H. & Evelyn L. Ashton Preservation Association, Inc. during the year ending November 30, 2009 directly with the Association. 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 2010 and one day of admission cash receipts from the year ended November 30, 2009 recorded in the general ledger and determined whether the receipt amount agreed to the supporting documentation (ticket recapitulation sheets, etc.). The amounts agreed, with shortages being reported and approved.

Privilege Fee Receipts

We haphazardly selected 10 privilege fee cash receipts from the year ended November 30, 2010 and 10 privilege fee cash receipts from the year ended November 30, 2009 recorded in the duplicate cash receipts 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. From the prior audit report, we noted the following note outstanding at November 30, 2008. This amount agreed to the Society's December 1, 2008 balance on the summary used in Step 2.

<i>Issue</i>	<i>Principal outstanding at November 30, 2008</i>
<i>Land Purchase Note</i>	<i>\$99,030</i>

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 2010 or 2009 or debt payment activity during 2010 or 2009. All debt noted agreed to the summary used in Step 3.

Debt – (Continued)

3. We obtained a summary of debt service payments owed during 2010 and 2009 and agreed these payments from the general ledger to the related debt amortization schedule. We also compared the date the debt service payments were due to the date the Society made the payments. We found no exceptions.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2010 and one payroll check for five employees from 2009 from the Payroll Register and determined whether the following information in the employees' personnel files and minute record was 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 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 hours and pay rate, or salary amount used in computing gross pay to supporting documentation (timecard, legislatively-approved rate or salary). We found no exceptions.
 - b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found one exception. An employee was noted to have worked 72 hours in one week and was paid his hourly rate for the entire 72 hours. We inquired as to the Society's policy regarding overtime and were advised that the Society does not have a policy on overtime. We recommend that the Society adopt a policy.
3. We scanned the last remittance of tax and retirement withholdings for the year ended November 30, 2010 to determine whether remittances were timely paid, and that the amounts paid agreed to the amounts withheld during the final withholding period during 2010. We noted the following:

Withholding	Date Due	Date Paid	Amount Withheld	Amount Paid
Federal income taxes and social security	January 31, 2011	December 20, 2010	\$128	\$128

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the expenditure report for the year ended November 30, 2010 and ten from the year ended 2009 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 image 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. Check images were not available for the last five of the ten selected disbursements from 2010; therefore, we were not able to agree the date and the payee name to the cancelled checks or supporting documentation. However, we were able to agree the check number and the amount recorded in the expenditure ledger to the bank statement and to the supporting documentation. We found no other exceptions.

Non-Payroll Cash Disbursements – (Continued)

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

We did not receive a response from Officials to the exceptions reported above.

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



Dave Yost
Auditor of State

March 25, 2011



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CARROLL COUNTY AGRICULTURAL SOCIETY

CARROLL 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 13, 2011**