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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Directors
Hancock County Convention and Visitors Bureau
Hancock County
123 East Main Cross Street
Findlay, Ohio 45840

We have performed the procedures enumerated below, to which the management of the Hancock County Convention and Visitors Bureau, Hancock County, Ohio (the Bureau), agreed, solely to assist the Bureau in evaluating whether it recorded all lodging taxes it received from Hancock County, and to help evaluate whether the Bureau disbursed these lodging taxes for allowable purposes described below for the years ended December 31, 2011 and 2010. The Bureau is responsible for disbursing lodging taxes for allowable purposes. We followed the American Institute of Certified Public Accountants' attestation standards for agreed-upon procedures engagements 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 Bureau. 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.

Cash Receipts

1. We confirmed with Hancock County the lodging taxes it paid to the Bureau during the years ending December 31, 2011 and 2010. The County confirmed the following amounts:

Year Ended	Amount
December 31, 2011	\$429,629
December 31, 2010	\$380,918

2. We compared the amounts from step 1. to amounts recorded as lodging tax receipts on the Bureau's general ledger. We found no exceptions.

Cash Disbursements

1. We inquired of management regarding sources describing allowable purposes or restrictions related to the Bureau's disbursements of lodging taxes. We listed these sources and summarized significant related restrictions below:

Source of Restrictions

- a. The Findlay-Hancock County Chamber of Commerce's Articles of Incorporation
- b. The Findlay-Hancock County Chamber of Commerce's 501(c)(6) Tax Exemption
- c. The 1988 and 2008 agreement and 2009 amendment between The Findlay-Hancock County Chamber of Commerce and Hancock County per resolution #140-09, #773-08 and #1988-336 and 337

- d. Ohio Rev. Code Section 5739.09(A)(2)
- e. Auditor of State Bulletin 2003-005
- f. The Bureau's Co-Op Advertising Program
- g. The Bureau's Tourism Development Program

The Findlay-Hancock County Chamber of Commerce's tax exemption prohibits it from making disbursements supporting a candidate's election.

Ohio Rev. Code Section 5739.09(A)(2) restricts the Bureau to spending lodging tax "specifically for promotion, advertising, and marketing of the region in which the county is located."

Auditor of State Bulletin 2003-005 deems any disbursement of public funds (e.g. lodging taxes) for alcohol to be improper.

The 1988 and 2008 Bureau's agreement and 2009 amendment between The Findlay-Hancock County Chamber of Commerce and Hancock County permits the Bureau to spend lodging taxes only for the benefit of Hancock County and the City of Findlay, its citizens, and the business community thereof, by promoting and publicizing Hancock County and the City of Findlay, in order to bring the patronage of business and tourism and cultural, educational, religious, professional, and sports organizations into the County.

The Bureau's Co-Op Advertising Program sets procedures for organizations applying for advertising funds and annual caps and limitations on co-op matched advertising per event.

The Bureau's Tourism Development Program funds those events and attractions that demonstrate potential for creating overnight accommodations. The Program requires an equivalent match of local funds dedicated to the project.

2. We haphazardly selected all disbursements of lodging taxes for the month of July, 2011 and October, 2010 paid to the Findlay-Hancock County Alliance and determined reasonableness of other months in addition to selecting all other disbursements exceeding \$4,000 from the years ending December 31, 2011 and 2010 representing uses of lodging taxes and compared the purpose for these disbursements as documented on vendor invoices or other supporting documentation to the sources of restrictions listed in *Cash Disbursements Step 1*. above.

We found one exception: The Bureau paid for meals that were not on a detailed receipt in accordance with their policy so we could not determine if alcohol was purchased with lodging taxes. We recommend disbursements be paid only if a detailed receipt is submitted.

Officials' Response:

The Board of Directors agree there was an exception noted during the October 2010 period when itemized receipts were not provided for meals at restaurants that serve alcohol, however, we are confident there was no alcohol purchased during these luncheon meetings. These itemized receipts were inadvertently destroyed, and we agree to be diligent about obtaining these receipts in the future.

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We were not engaged to, and did not examine the Bureau's lodging tax receipts and disbursements for the years ended December 31, 2011 and 2010, the objective of which would have been to opine on lodging tax receipts and disbursements. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that we would have reported to you.

This report is intended solely for the information and use of the Board of Directors and others within the Bureau and is not intended to be, and should not be used by anyone else.

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

April 24, 2012

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HANCOCK COUNTY CONVENTION AND VISITORS BUREAU

HANCOCK 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 8, 2012