



**MORROW COUNTY AGRICULTURAL SOCIETY
MORROW COUNTY**

AGREED-UPON PROCEDURES

FOR THE YEARS ENDED NOVEMBER 30, 2012 AND 2011



Dave Yost • Auditor of State

MORROW COUNTY AGRICULTURAL SOCIETY
MORROW COUNTY

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Morrow County Agricultural Society
Morrow County
P.O. Box 168
Mt. Gilead, Ohio 43338

We have performed the procedures enumerated below, with which the Board of Directors and the management of 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, 2012 and 2011, 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, 2012 and November 30, 2011 bank reconciliations. We found no exceptions.
2. We agreed the December 1, 2011 beginning fund balances recorded to the November 30, 2011 balances in the prior year audited statements. We found no exceptions. We also agreed the December 1, 2012 beginning fund balances recorded to the November 30, 2012 balances. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the November 30, 2012 and 2011 fund cash balance reported in the Trial Balance. The amounts agreed.
4. We confirmed the November 30, 2012 bank account balance with the Society's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the November 30, 2012 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the November 30, 2012 bank reconciliation:
 - a. We traced each debit to the subsequent December bank statement. We noted an exception; check number 14150, in the amount of \$250 was issued on September 1, 2011 but has not cleared the bank as of February 2013. We recommend the Society implement a policy to review long outstanding checks to determine if the checks need cancelled and/or reissued.
 - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to November 30. We noted no exceptions.

Cash (Continued)

6. We tested investments held at November 30, 2012 and November 30, 2011 to determine that they:
 - a. Were of a type authorized by Ohio Rev. Code Section 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.

Admission Receipts

We haphazardly selected one day of admission cash receipts from the year ended November 30, 2012 and one day of admission cash receipts from the year ended November 30, 2011 recorded in the receipts ledger and determined whether the receipt amount agreed to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc).

For August 31, 2012, the amount recorded in the receipts ledger for August 31, 2012 was \$22,971.

- a. The ticket sales recapitulation reported 3,249 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 \$19,494 for August 31, 2012, which is less than the amount recorded by \$3,477.

For September 3, 2011, the amount recorded in the receipts ledger for September 3, 2011 was \$30,024.

- a. The ticket sales recapitulation reported 4,125 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 \$24,750 for September 3, 2011, which is less than the amount recorded by \$5,274.

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 should 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, 2012 and 10 privilege fee cash receipts from the year ended November 30, 2011 recorded in the duplicate cash receipts book and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Receipts 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.

Rental Receipts

We haphazardly selected 10 rental cash receipts from the year ended November 30, 2012 and 10 rental cash receipts from the year ended November 30, 2011 recorded in the duplicate cash receipts book and determined whether the:

Rental Receipts (Continued)

- 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 found no exceptions.
- c. 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, 2010.
- 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 2012 or 2011 or debt payment activity during 2012 or 2011. We noted no new debt issuances, nor any debt payment activity during 2012 or 2011.

Payroll Cash Disbursements

- 1. We haphazardly selected one payroll check for five employees from 2012 and one payroll check for five employees from 2011 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 no exceptions.
 - b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.
- 2. We scanned the last remittance of tax and retirement withholdings for the year ended November 30, 2012 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 2012. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes, social security, & Medicare	January 31, 2013	October 4, 2012	\$871	\$871
		November 6, 2012	\$871	\$871
		December 11, 2012	\$955	\$955
State income taxes	January 31, 2013	November 15, 2012	\$131	\$131
		January 22, 2013	\$75	\$75
School district income taxes	January 31, 2013	November 15, 2012	\$31	\$31
		January 22, 2013	\$17	\$17

Non-Payroll Cash Disbursements

- 1. We haphazardly selected ten disbursements from the Check Register for the year ended November 30, 2012 and ten from the year ended 2011 and determined whether:

Non-Payroll Cash Disbursements (Continued)

- 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 Check Register 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.



Dave Yost
Auditor of State

April 8, 2013



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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 9, 2013**