



Dave Yost • Auditor of State





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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Ashtabula County Agricultural Society  
Ashtabula County  
PO Box 594  
Jefferson, Ohio 44047

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of Ashtabula County Agricultural Society (the Society), 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 and Investments

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 Fund Ledger. The amounts agreed.
4. We confirmed the November 30, 2016 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, 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. 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.

6. We traced interbank account transfers occurring in November of 2016 and 2015 to the accounting records and bank statements to determine if they were properly recorded. We found no exceptions.
7. We inspected investments held at November 30, 2016 and November 30, 2015 to determine that they:
  - a. Were of a type authorized by Ohio Rev. Code Sections 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. 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 selected all receipts from the County Auditor's Payment Register from 2016 and all 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/Grandstand Receipts**

1. 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 to the supporting documentation (ticket recapitulation sheets/gate reports, etc.). The amounts agreed.

#### **Pari-mutuel Wagering Commission Receipts and Disbursements**

1. We obtained copies of race schedules approved by the Board of Directors. We haphazardly selected one race day from the year ended November 30 2016 and one race day from the year ended November 30, 2015 and performed the following steps:
  - a. Traced Pari-mutuel wagering Commission receipts to the State DTL and to cash receipt ledger postings. The amounts agreed.
  - b. Traced disbursement to ledger postings for totalizer service and pari-mutuel state tax disbursement and agreed amounts to the liability report. We found no exceptions.

#### **Junior Livestock Auction**

1. We haphazardly selected three livestock auction sales. For each sale, we:
  - a. Agreed the sale amount recorded in the cash receipts book to:
    - i. The auction bid records.
    - ii. Bank deposit from the sale
    - iii. The seller's invoice
    - iv. The amount on the check written to the seller.We found no exceptions.
  - b. Also agreed the auction bid records to:
    - i. The buyer's invoice amount
    - ii. Bank deposit for the purchaseWe found no exceptions.

**Debt**

1. The prior audit documentation disclosed no debt outstanding as of November 30, 2014.
2. We noted no new debt issuances, nor any debt payment activity during 2016 or 2015.

**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 no exceptions.
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 3<sup>rd</sup> quarter 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 & Medicare (and social security, for employees not enrolled in pension system)	October 31, 2016	October 17, 2016 October 31, 2016	\$1,726.42 \$442.18	\$1,726.42 \$442.18
State income taxes	October 31, 2016	October 27, 2016	\$696.55	\$696.55
Local income tax	October 15, 2016	October 12, 2016	\$781.62	\$781.62

As stated above, the Society remitted two payments for federal payroll taxes, Medicare, and Social Security taxes as the amount due for one employee was inadvertently omitted from the initial payment.

**Non-Payroll Cash Disbursements**

1. We haphazardly selected ten disbursements from the Expenditure Report for the year ended November 30, 2016 and ten from the year ended 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 Expenditure 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 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 2015-007, within the allotted timeframe for the years ended November 30, 2016 and 2015 in the Hinkle System. The 2015 financial statements did not include the notes to the financial statements as required.

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.



**Dave Yost**  
Auditor of State  
Columbus, Ohio

August 10, 2017



# Dave Yost • Auditor of State

**ASHTABULA COUNTY AGRICULTURAL SOCIETY**

**ASHTABULA 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  
AUGUST 31, 2017**