



Dave Yost • Auditor of State





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

Board of Directors  
Destination Mansfield-Richland County  
Richland County  
124 N. Main Street  
Mansfield, Ohio 44902

We have performed the procedures enumerated below, to which the management of Destination Mansfield-Richland County (the Bureau) agreed, solely to assist the Bureau in evaluating whether it recorded all lodging taxes it received from Richland County and the City of Mansfield, and to help evaluate whether the Bureau disbursed these lodging taxes for allowable purposes described below for the years ended December 31, 2016 and 2015. The Bureau is responsible for disbursing lodging taxes for allowable purposes. 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 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 and Investments

1. We tested the mathematical accuracy of the December 31, 2016 and December 31, 2015 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2015 beginning fund balances recorded in the Reconciliation Detail to the December 31, 2014 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2016 beginning fund balances recorded in the Reconciliation Detail to the December 31, 2015 balances in the Reconciliation Detail. We found no exceptions.
3. We agreed the totals per the bank reconciliation to the total of the December 31, 2016 and 2015 fund cash balances reported in the Statement of Assets and Liabilities report. The amounts agreed.
4. We confirmed the December 31, 2016 bank account balances with the Bureau's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2016 bank reconciliation without exception.
5. We selected five outstanding checks haphazardly from December 31, 2016 bank reconciliation:
  - a. We traced each check to the subsequent January bank statement. We found no exceptions.
  - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to December 31. We noted no exceptions.
6. We tested investments held at December 31, 2016 and December 31, 2015 to determine that they:
  - a. Were of a type authorized by the CVB. We found no exceptions

### Cash Receipts

1. We summarized lodging taxes the Richland County "Vendor Invoice List" reported as payments to the Bureau during the years ending December 31, 2016 and 2015. The total reported disbursements were as follows:

Year Ended	Amount
December 31, 2016	\$494,197
December 31, 2015	\$487,026

We summarized lodging taxes the City of Mansfield "Accounts Payable by G/L Distribution Report" reported as payments to the Bureau during the years ending December 31, 2016 and 2015. The total reported disbursements were as follows:

Year Ended	Amount
December 31, 2016	\$115,144
December 31, 2015	\$126,447

2. We compared the amounts from step 1 to amounts recorded as lodging tax receipts on the Bureau's Profit and Loss report. 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 Bureau's Articles of Incorporation
- b. The Bureau's 501(c)(6) Tax Exemption
- c. Richland County Ohio's Resolution dated June 16, 1987
- d. City of Mansfield's Resolution 05-269
- e. Ohio Rev. Code Section 5739.09(A)(2)

The Bureau's tax exemption prohibits disbursements supporting a candidate's election.

Richland County Resolution dated June 16, 1987 permits the Bureau to spend lodging taxes only as prescribed in the Ohio Revised Code and stipulates the Convention and Visitors Bureau provide leadership in the development and promotion of festivals in Richland County and that \$1,500 or so be set aside from the additional funds for the bike trail under consideration for Richland County.

Resolution 05-269 permits the Bureau to spend lodging taxes only as prescribed in the Ohio Revised Code.

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.

**Cash Disbursements (Continued)**

2. We haphazardly selected forty disbursements of lodging taxes from the years ended December 31, 2016 and 2015 in addition to all disbursements exceeding \$10,000, 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 no instances where the purpose described on the invoice or other supporting documentation described a violation the restrictions listed above.

We were not engaged to, and did not examine the Bureau's lodging tax receipts and disbursements for the years ended December 31, 2016 and 2015, 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 Bureau and is not intended to be, and should not be used by anyone other than the specified party.



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

April 19, 2017

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**DESTINATION MANSFIELD – RICHLAND COUNTY**

**RICHLAND 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 4, 2017**