

HOLMES COUNTY AGRICULTURAL SOCIETY

HOLMES COUNTY, OHIO

AGREED-UPON PROCEDURES

For the Years Ended November 30, 2016 and 2015





Dave Yost • Auditor of State

Board of Trustees
Holmes County Agricultural Society
P.O. Box 376
Millersburg, Ohio 44654

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Holmes County Agricultural Society, prepared by Charles E. Harris & Associates, Inc., for the period December 1, 2015 through November 30, 2016. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Holmes County Agricultural Society is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

June 6, 2017

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HOLMES COUNTY AGRICULTURAL SOCIETY
HOLMES COUNTY
Agreed Upon Procedures
For the Years Ended November 30, 2016 and 2015

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Holmes County Agricultural Society
Holmes County
P.O. Box 376
Millersburg, Ohio 44654

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

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 Cash Journal. The amounts agreed.
4. We observed the year-end bank balances on the financial institution's website. The balances agreed. We also agreed the observed 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 statements. We found two checks that were still outstanding as of the date of this report, which is not an exception.
 - 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.

Intergovernmental and Other Confirmable Cash Receipts

1. We haphazardly selected all the receipts from the Distribution Transaction Detail Report (State DTL) for 2016 and 2015. We also haphazardly selected five receipts from the County Auditor's Cross Reference Report from 2016 and five from 2015.
 - a. We compared the amount from the above reports to the amount recorded in the Receipt Ledger. The amounts agreed.
 - b. We inspected the Receipt Ledger to determine whether these receipts were allocated to the proper account codes. We found no exceptions.
 - c. We inspected the Receipt Ledger to determine whether the receipts were recorded in the proper year. We found no exceptions.
2. We confirmed the bequeathed amounts paid from the Sterling T. Humrichouser Trust during the year ending November 30, 2016 with the Trustee. We found no exceptions.
 - a. We inspected the Receipt Ledger to determine whether these receipts were allocated to the proper account code. We found no exceptions.
 - b. We inspected the Receipt Ledger to determine whether the receipts were recorded in the proper year. We found no exceptions.
3. We confirmed the Joint Use Agreement amounts paid from the Ohio State University during the year ending November 30, 2015 with the Ohio State University Office of Legal Affairs. We found no exceptions.
 - a. We inspected the Receipt Ledger to determine whether these receipts were allocated to the proper account code. We found no exceptions.
 - b. We inspected the Receipt Ledger to determine whether the receipts were recorded in the proper year. We found no exceptions.
4. We confirmed the Field of Interest Fund amounts paid from Holmes County Community Foundation during the years ending November 30, 2016 and 2015 with the Community Foundation Trustee. We found no exceptions.
 - a. We inspected the Receipt Ledger to determine whether these receipts were allocated to the proper account code. We found no exceptions.
 - b. We inspected the Receipt Ledger to determine whether the receipts were recorded in the proper year. We found no exceptions.

Over-The-Counter Cash Receipts (Donations)

We haphazardly selected 10 over-the-counter cash receipts (donations) from the year ended November 30, 2016 and 10 over-the-counter cash receipts (donations) from the year ended 2015 recorded in the duplicate cash receipts book and:

- a. Agreed the receipt amount to the amount recorded in the Receipt Ledger. The amounts agreed.
- b. Inspected the Receipt Ledger to determine the receipt was posted to the proper fund, and was recorded in the proper year. We found no exceptions.

Debt

1. From the prior audit documentation, we observed the following notes and leases outstanding as of November 30, 2014. These amounts agreed to the Society's December 1, 2014 balances on the summary we used in steps 3 through 5.

Issue	Principal outstanding as of November 30, 2014:
Promissory Note	\$215,000
Equipment Lease	\$7,109

2. We inquired of management, and inspected the receipt and expenditure records for evidence of loan or credit agreements, and bonded, note, County, or mortgage debt issued during 2016 or 2015 or debt payment activity during 2016 or 2015. All debt noted agreed to the summary we used in steps 3 through 5.
3. We obtained a summary of debt service payments owed during 2016 and 2015 and agreed these payments from the Expenditure report to the related debt amortization schedules. We also compared the date the debt service payments were due to the date the Society made the payments. We found no exceptions.
4. We agreed the amount of debt proceeds from the debt documents to amounts recorded in the Receipt Ledger. The amounts agreed.
5. For new debt issued during 2016 and 2015, we inspected the debt legislation, noting the Society must use the proceeds of the three promissory notes obtained in 2015 and paid off in 2016, and the promissory note and personal loan obtained in 2016, to prepare the grounds and construct buildings at the new fairgrounds location. We inspected the Expenditure report and noted the Society prepared the grounds and constructed buildings throughout 2016 and 2015.
6. We inquired of management, inspected the Receipt Ledger, and the prior audit report to determine whether the Society had a loan outstanding from a prior year or obtained various loans in 2016 and 2015 as permitted by Ohio Rev. Code Section 1711.13(B). We recalculated the Society's computation supporting that the total net indebtedness from loans did not exceed twenty-five percent of its annual revenues. We found two exceptions, as the Society's total net indebtedness did exceed twenty-five percent of its annual revenues in both 2016 and 2015.

Non-Payroll Cash Disbursements


1. From the Expenditure report, we re-footed checks recorded as disbursements for equipment and grounds maintenance for 2016. We found no exceptions.
2. We haphazardly selected ten disbursements from the Expenditure Report for the year ended November 30, 2016 and ten from the year ended November 30, 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

Ohio Rev. Code Section 117.38 requires agricultural 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 2016-007, within the allotted timeframe for the years ended November 30, 2016 and 2015 in the Hinkle System. No exceptions noted.

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.



Charles E. Harris & Associates, Inc.
May 4, 2017



Dave Yost • Auditor of State

HOLMES COUNTY AGRICULTURAL SOCIETY

HOLMES 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
JUNE 20, 2017