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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Jefferson County Agricultural Society
Jefferson County
153 Starkey Boulevard
Wintersville, Ohio 43953

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of Jefferson 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

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 General Ledger. The amounts agreed.
4. We confirmed the November 30, 2016 bank account balances with the Society's financial institution. We found no exceptions.
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 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.

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 Detail Vendor Transaction Report from 2016 and 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 receipts ledger to determine whether these receipts were allocated to the proper account code. We found no exceptions.
 - c. We inspected the receipts ledger to determine whether the receipts were recorded in the proper year. We found no exceptions.

Admission/Grandstand Receipts

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 (ticket sales) from the year ended November 30, 2015 recorded in the receipts ledger and agreed the receipt amount to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc.).

For August 19, 2015, the amount recorded in the receipts ledger was \$22,000.

- a. The ticket sales recapitulation reported 2,930 tickets sold on that date.
- b. The admission price per ticket was \$8.
- c. Therefore the recapitulation sheet multiplied by the admission price supports admission receipts of \$23,440 for August 19, 2015, which exceeds the amount recorded by \$1,440, due to a timing difference.
- d. We compared total ticket sales for the week per the recapitulation sheets to the total receipts recorded in the receipts ledger and found that all ticket sales were recorded in the receipts ledger.

For August 20, 2016, the amount recorded in the receipts ledger was \$30,000.

- a. The ticket sales recapitulation reported 3,222 tickets sold on that date.
- b. The admission price per ticket was \$10.
- c. Therefore the recapitulation sheet multiplied by the admission price supports admission receipts of \$32,220 for August 20, 2016, which exceeds the amount recorded by \$2,220, due to a timing difference.
- d. We compared total ticket sales for the week per the recapitulation sheets to the total receipts recorded in the receipts ledger and found that all ticket sales were recorded in the receipts ledger.

Rental Receipts

We haphazardly selected 10 rental cash receipts from the year ended November 30, 2016 and 10 rental cash receipts from the year ended November 30, 2015 recorded in the duplicate cash receipts book and determined whether the:

- a. Agreed the receipt amount to the amount recorded in the Receipt Ledger. The amounts agreed.
- b. Agreed the rate charged with rates in force during the period. We found no exceptions.
- c. Inspected the receipts ledger to determine whether the 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, 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 all employees from 2016 and one payroll check for all 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 noted time cards were not maintained for 1 employee from 2016 and 2015, who was paid on an hourly basis. We noted that the hourly pay rate was approved in the Society's minute record. We also noted that the salaried employee's wages were established in the Society's Annual Budget. The Annual Budget is approved in the minutes by the legislative body. The Society should adopt a system by which all hourly employees maintain timecards to support wages paid.
 - b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. 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 final withholding period of 2016. We observed the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2017	11/15/16	\$192.59	\$1,834.16
State income taxes	January 31, 2017	11/15/16	\$50	\$250

As noted above, as of the date of this report, the Society has withheld federal payroll taxes, Medicare, and Social Security taxes covering the first, second, third, and fourth quarters. The treasurer did not remit on a quarterly basis as the wages were earned, but rather remitted the full years withholdings on the final quarter of the year. Therefore, the total amount paid includes first, second and third quarter wages that were not filed in a timely manner.

Also, the Society has withheld state payroll taxes covering the first, second, third, and fourth quarters. The treasurer did not remit on a quarterly basis as the wages were earned, but rather remitted the full years withholdings on the final quarter of the year. Therefore, the total amount paid includes first, second and third quarter wages that were not filed in a timely manner. The Treasurer should report and remit all wages and withholdings in the appropriate period and in a timely manner.

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 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 2015-007, within the allotted timeframe for the year ended November 30, 2015 in the Hinkle System. For the year ended November 30, 2016, financial information was filed on June 21, 2017 which was not within the allotted timeframe.

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

July 28, 2017



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JEFFERSON COUNTY AGRICULTURAL SOCIETY

JEFFERSON 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 24, 2017**