

WARREN COUNTY AGRICULTURAL SOCIETY

WARREN COUNTY

**FOR THE FISCAL YEARS ENDED NOVEMBER 30, 2017 AND 2016
AGREED-UPON PROCEDURES**



Dave Yost • Auditor of State

Board of Directors
Warren County Agricultural Society
P.O. Box 58
Lebanon, Ohio 45036

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Warren County Agricultural Society, Warren County, prepared by Julian & Grube, Inc., for the period December 1, 2016 through November 30, 2017. 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 Warren 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

September 18, 2018

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Julian & Grube, Inc.
Serving Ohio Local Governments

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Warren County Agricultural Society
Warren County
P.O. Box 58
Lebanon, Ohio 45036

We have performed the procedures enumerated below, which were agreed to by the Board of Directors and the management of the Warren 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 fiscal years ended November 30, 2017 and 2016 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 fiscal years ended November 30, 2017 and 2016 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, 2017 and November 30, 2016 bank reconciliations. We found no exceptions.
2. We agreed the December 1, 2015 beginning fund balances recorded to the November 30, 2015 balances in the prior year audited statements. We found no exceptions. We also agreed the December 1, 2016 beginning fund balances recorded to the November 30, 2016 balances. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the November 30, 2017 and 2016 fund cash balance reported in the Balance Sheet Detail. The amounts agreed.
4. We observed the fiscal year-end bank balance on the financial institution's website. The balance agreed. We also agreed the confirmed balance to the amounts appearing in the November 30, 2017 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the November 30, 2017 bank reconciliation:
 - a. We traced four debits to the subsequent December and January bank statements without exception. One debit in the amount of \$60 had not cleared the bank as of the report date.
 - 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.

Cash - (Continued)

6. We selected five reconciling credits (such as deposits in transit) haphazardly from the November 30, 2017 bank reconciliation:
 - a. We did not trace any of the credits to the subsequent bank statements. We noted four of the five reconciling credits were not actually outstanding as of November 30, 2017 but were reconciling discrepancies within QuickBooks, which were corrected as of the Society's June 30, 2018 bank reconciliation. The other reconciling credit was still outstanding as of the date of this report.
 - b. We agreed the credit amounts to the Deposit Detail. Each credit was recorded as a receipt for the same amount recorded in the reconciliation. However, the Society mistakenly recorded three of the reconciling credits selected and subsequently voided these transactions because they did not represent actual activity. Also, the Society had to clear one of the reconciling credits within QuickBooks that cleared the July 2017 bank statement.

Intergovernmental Cash Receipts

1. We selected all the receipts from the Distribution Transaction Detail Report (State DTL) for 2017 and 2016. We also haphazardly selected five receipts from the County Auditor's Fund Accounting Transaction Report from 2017 and five from 2016.
 - a. We compared the amount from the above reports to the amount recorded in the Deposit Detail. The amounts agreed.
 - b. We inspected the Deposit Detail to determine whether these receipts were allocated to the proper account codes. We found one exception in 2016 for a receipt in the amount of \$10,463, recorded as Miscellaneous Receipt - Other Support, which should have been recorded as State Support - General Operations.
 - c. We inspected the Deposit Detail 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 fiscal year ended November 30, 2017 and one day of admission/grandstand cash receipts from the fiscal year ended November 30, 2016 recorded in the Deposit Detail and agreed the receipt amount to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc.).

For July 19, 2017, the amount recorded in the receipts ledger for July 19, 2017 was \$22,815.

- a. The ticket sales recapitulation reported 2,831 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 \$22,648 for July 19, 2017, which is less than the amount recorded by \$167.

For July 23, 2016, the amount recorded in the receipts ledger for July 23, 2016 was \$31,785.

- a. The ticket sales recapitulation reported 3,994 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 \$31,952 for July 23, 2016, which exceeds the amount recorded by \$167.

Rental Receipts

We haphazardly selected 10 rental cash receipts from the fiscal year ended November 30, 2017 and 10 rental cash receipts from the fiscal year ended November 30, 2016 recorded in the duplicate cash receipts book and:

- a. Agreed the receipt amount to the amount recorded in the Deposit Detail. The amounts agreed.
- b. Agreed the rate charged with rates in force during the period. We found no exceptions.
- c. Inspected the Deposit Detail 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, 2015.
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 2017 or 2016 or debt payment activity during 2017 or 2016. There were no new debt issuances, nor any debt payment activity during 2017 or 2016.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2017 and one payroll check for five employees from 2016 from the Payroll Journal and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll Journal to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
2. For any new employees selected in procedure 1 we compared the following information in the employees' personnel files and board minutes to the information used to compute gross and net pay related to this check:
 - a. Name
 - b. Authorized salary or pay rate
 - c. Retirement system participation and payroll withholding
 - d. Federal, State & Local income tax withholding authorization and withholding.
 - e. Any other deduction authorizations (deferred compensation, etc.)

We found no exceptions related to procedures a – e above.

3. We inspected the last remittance of tax and retirement withholdings for the fiscal year ended November 30, 2017 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 2017. 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, 2018	December 13, 2017	\$ 1,696	\$ 1,696
State Income Taxes	January 15, 2018	December 15, 2017	\$ 291	\$ 291
City Income Tax	December 15, 2017	December 7, 2017	\$ 149	\$ 149
School District Income Tax	December 15, 2017	December 13, 2017	\$ 37	\$ 37

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Check Detail Report for the fiscal year ended November 30, 2017 and ten from the fiscal year ended 2016 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 Check Detail Report 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. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies, in addition to filing extensions granted for extenuating circumstances, allow for refile complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System for December 31, 2017 and 2016 fiscal year ends included in 2015-2016 or 2016-2017 agreed upon procedure engagements, subsequent to the Society's deadline where the initial filing was filed on time but incomplete. Incomplete financial information was filed on January 31, 2017 for the fiscal year ending November 30, 2016. Complete information was refiled on April 30, 2018 for the fiscal year ended November 30, 2016. Financial information was filed on January 30, 2018 for the fiscal year ending November 30, 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 to provide assistance in the evaluation of the Society's receipts, disbursements and balances recorded in their cash-basis accounting records for the fiscal years ended November 30, 2017 and 2016 and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.



Julian & Grube, Inc.
August 30, 2018



Dave Yost • Auditor of State

WARREN COUNTY AGRICULTURAL SOCIETY

WARREN 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
OCTOBER 2, 2018**