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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, with which the Board of Directors and the management of the Warren County Agricultural Society (the Society) agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended November 30, 2013 and 2012, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. 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 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 tested the mathematical accuracy of the November 30, 2013 and November 30, 2012 bank reconciliations. We found no exceptions.
2. We agreed the December 1, 2011 beginning fund balances recorded to the November 30, 2011 balances in the prior year Agreed-Upon Procedures working papers. We found that the December 1, 2011 fund balance amount recorded on the Society's accounting system was \$2,941 more than the November 30, 2011 fund balance prior year Agreed-Upon Procedures working papers. We also agreed the December 1, 2012 beginning fund balances recorded to the November 30, 2012 balances. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the November 30, 2013 and 2012 fund cash balance reported on the Balance Sheet. The balance sheet had a balance of \$111,005 and \$86,273 for November 30, 2013 and 2012 respectively. The balance used on the bank reconciliation was \$108,064 and \$83,332 for November 2013 and 2012 respectively. The variance was \$2,941 in each year.
4. We confirmed the November 30, 2013 bank account balance with the Society's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the November 30, 2013 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the November 30, 2013 bank reconciliation:
 - a. We traced each debit to the subsequent December 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 November 30. We noted no exceptions.
6. We selected the reconciling credit (such as deposits in transit) from the November 30, 2013 bank reconciliation:
- a. We traced each credit to the subsequent December bank statement. We found no exceptions.
 - b. We agreed the credit amounts to the Receipt Ledger. Each credit was recorded as a November receipt for the same amount recorded in the reconciliation.

Intergovernmental and Other Confirmable Cash Receipts

1. We selected all the receipts from the Distribution Transaction Detail Report (State DTL) for 2013 and 2012. We also selected five receipts from the Warren County ISA Report WARREN14_EXP from 2013 and five from 2012.
- a. We compared the amount from the above reports to the amount recorded in the Receipt Ledger. The amounts agreed.
 - b. We determined whether these receipts were allocated to the proper account code(s). We found no exceptions.
 - c. We determined 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, 2013 and one day of admission/grandstand cash receipts from the year ended November 30, 2012 recorded in the receipts ledger and determined whether the receipt amount agreed to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc). The amounts agreed for the day we tested from 2012.

For July 19, 2013, the amount recorded in the receipts ledger for July 19, 2013 was \$30,034.

- a. The ticket sales recapitulation reported 3,719 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 \$29,752 for July 19, 2013. The amount recorded in the receipts ledger exceeds the amount recalculated by \$282.

Rental Receipts

We haphazardly selected 10 rental cash receipts from the year ended November 30, 2013 and 10 rental cash receipts from the year ended November 30, 2012 recorded in the duplicate cash receipts book and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Receipt Ledger. The amounts agreed.
- b. Amount charged complied with rates in force during the period. We found no exceptions.

- c. Receipt was recorded in the proper year. We found no exceptions.

Debt

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of November 30, 2011.
2. We inquired of management, and scanned the receipt and expenditure records for evidence of loan or credit agreements, and bonded, note, County, or mortgage debt issued during 2013 or 2012 or debt payment activity during 2013 or 2012. We noted no new debt issuances, nor any debt payment activity during 2013 or 2012.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2013 and one payroll check for five employees from 2012 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 one instance where an employee was paid for ten hours less than the hours recorded on his timecard. Because we did not test all timecards, our report provides no assurance whether or not other similar errors occurred.
 - b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.
2. We scanned the last remittance of tax and retirement withholdings for the year ended November 30, 2013 to determine whether 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 2013. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes, social security, & Medicare	January 31, 2014	11/29/2013	\$1,822.59	\$1,822.59
State income taxes	January 15, 2014	11/29/2013	\$158.29	\$158.29
Local income tax	January 31, 2014	11/29/2013	\$84.16	\$84.16
School District	January 31, 2014	11/29/2013	\$37.98	\$37.98

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Expenditure Report for the year ended November 30, 2013 and ten from the year ended 2012 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 1 exception. In 2013, Check # 7224 had no invoice, and the supporting documentation was a time card for Arin Arnold. The check was written to LCNB to cash. We recommend that checks written to sporadic employees be written to the employee, or the employees be put on payroll. Also, we recommend that the Ag Society not write checks to cash to pay vendors.
 - c. Based on the nature of the expenditure, the account coding is reasonable. We found 3 exceptions. Check # 7224 was coded to Insurance – Liability, but the supporting documentation was a part-time employee's time card. Checks # 7543 and 6339 were coded to electricity, but the supporting documentation was invoices for both water and electricity.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Society's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management, those charged with governance, and others within the Society, and is not intended to be, and should not be used by anyone other than these specified parties.



Dave Yost
Auditor of State

Columbus, Ohio

August 5, 2014



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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
AUGUST 26, 2014**