

***SENECA COUNTY AGRICULTURAL SOCIETY***

***SENECA COUNTY, OHIO***

**AGREED UPON PROCEDURES**

**For the Years Ended November 30, 2018 and 2017**







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Board of Trustees  
Seneca County Agricultural Society  
P.O. Box 756  
Tiffin, Ohio 44883

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Seneca County Agricultural Society, Seneca County, prepared by Charles E. Harris & Associates, Inc., for the period December 1, 2016 through November 30, 2018. 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 Seneca County Agricultural Society is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

June 7, 2019

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**SENECA COUNTY AGRICULTURAL SOCIETY  
SENECA COUNTY  
Agreed Upon Procedures  
For the Years Ended November 30, 2018 and 2017**

**TABLE OF CONTENTS**

| <b><u>Title</u></b>  | <b><u>Page</u></b> |
|--|--------------------|
| Independent Accountants' Report on Applying Agreed-Upon Procedures | 1                  |

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

Seneca County Agricultural Society  
Seneca County  
P.O. Box 756  
Tiffin, Ohio 44883

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of the Seneca 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, 2018 and 2017 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, 2018 and 2017 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, 2018 and November 30, 2017 bank reconciliations. We found no exceptions.
2. We agreed the December 1, 2016 beginning fund balances recorded to the November 30, 2016 balances in the prior year audited statements. We found no exceptions. We also agreed the December 1, 2017 beginning fund balances recorded to the November 30, 2017 balances. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the November 30, 2018 and 2017 fund cash balance reported on the Balance Sheets. The amounts agreed.
4. We observed the year-end bank balances on the financial institution's website. The balances agreed. We also agreed the confirmed balances to the amounts appearing in the November 30, 2018 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the November 30, 2018 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. There were no exceptions.

### **Intergovernmental Receipts**

1. We selected all the receipts from the Distribution Transaction Detail Report (State DTL) for 2018 and 2017. We also haphazardly selected five receipts from the County Auditor's Audit Trail by Vendor Report from 2018 and five from 2017.
  - a. We compared the amount from the above reports to the amount recorded in the General Ledger. The amounts agreed.
  - b. We inspected the General Ledger to determine whether these receipts were allocated to the proper account codes. We found no exceptions.
  - c. We inspected the General Ledger to determine whether the receipts were recorded in the proper year. We found no exceptions.

### **Admission Receipts**

We haphazardly selected one day of admission cash receipts from the year ended November 30 2018 and one day of admission cash receipts from the year ended November 30, 2017 recorded in the General Ledger and agreed the receipt amount to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc.). The amounts agreed for the day we tested from 2017.

For July 27, 2018, the amount recorded in the general ledger for July 27, 2018 was \$22,777.

- a. The ticket sales recapitulation reported 3290 tickets sold on that date.
- b. The admission price per ticket was \$7.
- c. Therefore, the recapitulation sheet multiplied by the admission price supports admission receipts of \$23,030 for July 27, 2018, which exceeds the amount recorded by \$253.

### **Grandstand Receipts**

We haphazardly selected one day of grandstand cash receipts from the year ended November 30, 2018 and one day of grandstand cash receipts from the year ended November 30, 2017 recorded in the General Ledger and agreed the receipt amount to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc.). The amounts agreed.

### **Rental Receipts**

We haphazardly selected 10 rental cash receipts from the year ended November 30, 2018 and 10 rental cash receipts from the year ended November 30, 2017 recorded in the duplicate cash receipts book and:

- a. Agreed the receipt amount to the amount recorded in the General Ledger. The amounts agreed.
- b. Agreed the rate charged with rates in force during the period. We found no exceptions.
- c. Inspected the General Ledger to determine whether the receipt was recorded in the proper year. We found no exceptions.



**Sustaining and Entry (Purse) Receipts and Disbursements**

We obtained copies of race schedules approved by the Board of Directors. We haphazardly selected one race day from the year ended November 30 2018 and one race day from the year ended November 30, 2017 and performed the following procedures:

- a. Traced authorized race dates to the cash receipt ledger postings and determined whether there are purse receipt postings for each authorized race day. The cash receipts ledger reported wagering receipts for only one date, as there were two race date receipts that were improperly deposited as one batch. We recommend the Society deposit the purse receipts each race day.
- b. Traced authorized race dates to the cash disbursement ledger postings and determined whether there were purse disbursement postings for each authorized race day. The cash disbursements ledger reported wagering disbursements for all dates.

**Debt**

- 1. From the prior audit documentation, we observed the following note outstanding as of November 30, 2016. This amount agreed to the Society's December 1, 2016 balance on the summary we used in procedure 3.

| Issue           | Principal outstanding as of November 30, 2016: |
|-----------------|--|
| Promissory Note | \$3,500  |

- 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 2018 or 2017 or debt payment activity during 2018 or 2017. All debt agreed to the summary we used in procedure 3.
- 3. We obtained a summary of debt service payments owed during 2018 and 2017 and agreed these payments from the General Ledger to the related debt amortization schedule. 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 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 as permitted by Ohio Rev. Code Section 1711.13(B). We recalculated the Society's computation supporting that the total net indebtedness from loans and credit did not exceed twenty-five percent of its annual revenues. We found no exceptions.

**Payroll Cash Disbursements**

- 1. We haphazardly selected one payroll check for five employees from 2018 and one payroll check for five employees from 2017 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 three instances where an employee was paid at a rate we could not determine was statutorily-approved. We brought this to management's attention and they will have the Board approve the pay rates at the next meeting. Because we did not compare 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. For any new employees selected in procedure 1 we compared the following information in the employees' personnel files and minute records was consistent with 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 year ended November 30, 2018 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 2018. We observed the following:

| <b>Withholding<br/>(plus employer share,<br/>where applicable)</b>                                  | <b>Date<br/>Due</b> | <b>Date<br/>Paid</b> | <b>Amount<br/>Due</b> | <b>Amount<br/>Paid</b> |
|---|---------------------|----------------------|-----------------------|------------------------|
| Federal income taxes & Medicare (and social security, for employees not enrolled in pension system) | January 31, 2019    | December 14, 2018    | \$1,430.44            | \$1,430.44             |
| State income taxes  | January 31, 2019    | January 21, 2019     | \$518.61              | \$518.61               |
| Local school district income tax  | January 31, 2019    | January 21, 2019     | \$184.65              | \$184.65               |

### **Non-Payroll Cash Disbursements**

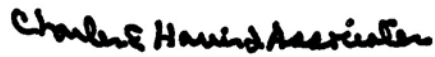
1. We haphazardly selected ten disbursements from the General Ledger for the year ended November 30, 2018 and ten from the year ended November 30, 2017 and determined whether:
  - a. The disbursements were for a proper public purpose. We found no exceptions.
  - b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the General 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 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. The Auditor of State established policies regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. We confirmed the Society filed their complete financial statements, as defined by AOS Bulletin 2015-007 and the Auditor of State established policy within the allotted timeframe for the years ended November 30, 2018 and 2017 in the Hinkle system. There were no exceptions.

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 years ended November 30, 2018 and 2017, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.

A handwritten signature in black ink that reads "Charles E. Harris".

**Charles E. Harris & Associates, Inc.**  
April 22, 2019

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# OHIO AUDITOR OF STATE KEITH FABER



**SENECA COUNTY AGRICULTURAL SOCIETY**

**SENECA 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, 2019**