

313 Second St.
Marietta, OH 45750
740.373.0056

1907 Grand Central Ave.
Vienna, WV 26105
304.422.2203

104 South Sugar St.
St. Clairsville, OH 43950
740.695.1569

1310 Market Street, Suite 300
Wheeling, WV 26003
304.232.1358



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

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- Association of Certified Anti - Money Laundering Specialists •



Dave Yost • Auditor of State

Board of Directors
Portage County Agricultural Society
4215 Fairground Road
Atwater, Ohio 44201

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Portage County Agricultural Society, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period December 1, 2014 through November 30, 2016. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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 Portage 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

December 11, 2017

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PORTAGE COUNTY AGRICULTURAL SOCIETY
PORTAGE COUNTY

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

November 24, 2017

Portage County Agricultural Society
Portage County
4215 Fairground Road
Atwater, Ohio 44201

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of **Portage County Agricultural Society**, Portage County, Ohio (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. The bank reconciliations originally presented were not able to be recalculated. After several months, and obtaining assistance from an accountant, the Society was able to provide bank reconciliations that were recalculated without exception. We recommend the Society ensure accurate bank reconciliations are prepared on a monthly basis and supporting documentation is maintained for all outstanding items.
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.

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Cash (Continued)

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 Statement of Receipts, Disbursements and Change in Fund Balance. The bank reconciliations originally presented did not agree to the Society's Statement of Receipts, Disbursements and Change in Fund Balance. After several months, and obtaining assistance from an accountant, the Society was able to provide bank reconciliations that agreed to the Statement of Receipts, Disbursements and Change in Fund Balance. We recommend the Society ensure the annual financial report properly reconciles to the bank reconciliations within a timely manner at fiscal year-end.
4. We confirmed the November 30, 2016 bank account balances with the Society's financial institution. We found no exceptions. We also agreed the confirmed 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 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 Portage County Auditor Vendor Invoice List from 2016 and all from 2015.
 - 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/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 from the year ended November 30, 2015 recorded in the General Ledger and agreed the receipt amount to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc.). The amounts agreed.

Privilege Fee Receipts

We haphazardly selected 10 privilege fee cash receipts from the year ended November 30, 2016 and 10 privilege fee cash receipts from the year ended November 30, 2015 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. Compared the rates charged with rates in force during the period. We found no exceptions.
- c. Confirmed the receipt was recorded in the proper year. We found no exceptions.

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 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.

Debt

- 1. From the prior audit documentation, we observed the following note outstanding as of November 30, 2014. These amounts agreed to the Societies December 1, 2015 balances on the summary we used in step 3.

Issue	Principal outstanding as of November 30, 2014:
Note Payable for Restroom Renovation	\$192,000

- 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 step 3.
- 3. We obtained a summary of debt service payments owed during 2016 and 2015 and agreed these payments from the expenditure 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 noted during our testing that the Society made a late payment in December 2015 and as a result a late charge was assessed. We found no other exceptions
- 4. We inquired of management, inspected the receipt ledger, and the prior audit report to determine whether the Society had a loan or credit agreement 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 2016 and one payroll check for five 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 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:

Payroll Cash Disbursements (Continued)

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)	December 15, 2016	December 6, 2016	\$328.34	\$328.34
State income taxes	January 31, 2017	January 31, 2017	\$212.17	\$212.17

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the General Ledger 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 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. 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 up on procedure engagements, subsequent to the Society's deadline where the initial filing was filed on time but incomplete. We confirmed the Society filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy within the allotted timeframe for the years ended November 30, 2016 and 2015 in the Hinkle system. In 2015, the Society incorrectly filed a one page cash reconciliation instead of financial statements. The Society also selected their filing type as GAAP instead of Regulatory Cash Basis. Under the Regulatory Cash Basis financial statements are to be submitted to the Hinkle System 60 days after fiscal year end which would have made the due date January 29, 2016; however, the filing was not completed until February 11, 2016. In 2016, the Society filed timely under the Regulatory Cash Basis requirement; however, the Society selected their filing type as GAAP instead of Regulatory Cash Basis. The Society did not submit accurate financial statements originally and as a result subsequently filed new financial statements after the due date.

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, 2016 and 2015, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Perry & Associates CPAs A.C.".

Perry & Associates
Certified Public Accountants, A.C.
Marietta, Ohio

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Dave Yost • Auditor of State

PORTAGE COUNTY AGRICULTURAL SOCIETY

PORTAGE 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
DECEMBER 26, 2017**