

ADAMS COUNTY AGRICULTURAL SOCIETY

ADAMS COUNTY

**DECEMBER 1, 2016 TO NOVEMBER 30, 2018
AGREED-UPON PROCEDURES**



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Board of Directors
Adams County Agricultural Society
P.O. Box 548
West Union, OH 45693

We have reviewed the *Independent Accountant's Report on Applying Agreed-Upon Procedures* of the Adams County Agricultural Society, Adams County, prepared by Julian & Grube, 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. In conjunction with the work performed by the Independent Public Accountant, the Auditor of State is issuing the following:

Finding for Recovery

The Adams County Agricultural Society (the Society) held their county fair in July 2017. The Society prepared ticket reconciliation forms indicating the number of tickets sold. The forms completed for July 9, 2017 recalculated to show that \$14,010 should have been collected for the daily general admission. The bank deposit slip and Society ledgers indicate that \$13,010 was deposited indicating a shortage of \$1,000. There was no one person responsible for the handling of the monies during the 2017 fair and several individuals handled the collections.

In accordance with the foregoing facts and pursuant to Ohio Rev. Code § 117.28, a Finding for Recovery for public monies collected but unaccounted for is issued against Tonya Kersey, Secretary; Liz Lafferty, President; and Richard Lewis, Parking Chairman, in the amount of \$1,000, and in favor of the Adams County Agricultural Society's General Fund.

On July 24, 2019, \$1,000 was deposited and receipted into the Adams County Agricultural Society's bank account and General Fund. The above finding for recovery has been repaid in full.

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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 Adams County Agricultural Society is responsible for compliance with these laws and regulations.



Keith Faber
Auditor of State
Columbus, Ohio

September 3, 2019



Julian & Grube, Inc.
Serving Ohio Local Governments

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Adams County Agricultural Society
Adams County
836 Boyd Avenue
West Union, Ohio 45693

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of Adams 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 agreed upon procedures workpapers. 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 in the Balance Sheet Detail Report. The amounts agreed.
4. We confirmed the November 30, 2018 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, 2018 bank reconciliations without exception.
5. We selected a sample (agreed upon) of five reconciling debits (such as outstanding checks) haphazardly from the November 30, 2018 bank reconciliations:
 - a. We traced each debit to the subsequent December 2018 and February 2019 bank statements. We found two instances where debits of \$20 and \$330 did not clear as of March 31, 2019.
 - 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 Cash Receipts

We selected all the receipts from the Distribution Transaction Detail Report (State DTL) for 2018 and 2017. We also selected all the receipts from the County Auditor's Audit Trail by Vendor Report from 2018 and 2017.

- a. We compared the amount from the above reports to the amount recorded in the General Ledger Report. The amounts agreed.
- b. We inspected the General Ledger Report to determine whether these receipts were allocated to the proper account codes. We found no exceptions.
- c. We inspected the General Ledger Report 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 2018 and one day of admission/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 for the day we tested from 2018.

For July 9, 2017, the amount recorded in the General Ledger Report for July 9, 2017 was \$19,010.

- a. The ticket sales recapitulation reported 2,001 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 \$20,010 for July 9, 2017, which exceeds the amount recorded by \$1,000.

Over-The-Counter Cash Receipts

We selected a sample (agreed upon) of 10 over-the-counter cash receipts from the year ended November 30, 2018 and 10 over-the-counter 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 Report. The amounts agreed.
- b. Confirmed the amounts charged complied with rates in force during the period. We found no exceptions.
- c. Inspected the General Ledger Report to determine the receipt was posted to the proper fund, and was recorded in the proper year. We found no exceptions.

Debt

- 1. From the prior agreed-upon procedures documentation, we observed the following loans and line of credit outstanding as of November 30, 2016. These amounts agreed to the Societies December 1, 2016 balances on the summary we used in procedure 3.

Issue	Principal outstanding as of November 30, 2016:
USDA Mortgage Loan	\$25,143
Mortgage Loan	\$29,768
Line of Credit	\$29,931

- 2. We inquired of management and inspected the General Ledger Report 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.

Debt (Continued)

3. We obtained a summary of debt service payments including mortgage debt and loan/credit agreements permitted by Ohio Revised Code Section 1711.13 during 2018 and 2017 and agreed these payments from the General Ledger Report to the related debt amortization schedules. 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 agreed the amount of debt proceeds from the debt documents to amounts recorded in the General Ledger Report. The amounts agreed.
5. For new debt issued during 2017, we inspected the debt legislation, noting the Society must use the proceeds to refinance their mortgage. We inspected the General Ledger Report and observed the Society refinanced the mortgage in June, 2017.
6. We inquired of management, inspected the General Ledger Report, and the prior agreed-upon procedures report to determine whether the Society had loans or line of credit agreements 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 that in 2018 amounts exceeded by .73%. We found no exceptions in 2017.

Non-Payroll Cash Disbursements

We selected a sample (agreed upon) of ten disbursements from the General Ledger Report 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 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 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 Auditor of State established policy for the fiscal years ended November 30, 2018 and 2017 in the Hinkle system. The financial statements did not include the notes to the financial statements as required.
2. For all credit card accounts we obtained:
 - a list of all credit card account transactions
 - a. We selected the only credit card transaction for testing. For the selected transaction we inspected documentation to determine that:
 - i. The transaction was supported with original invoices and for a proper public purpose. We found 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 cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.
May 30, 2019

OHIO AUDITOR OF STATE KEITH FABER



ADAMS COUNTY AGRICULTURAL SOCIETY

ADAMS 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
SEPTEMBER 17, 2019**