REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS AGREED-UPON PROCEDURES ENGAGEMENT OF THE BUTLER COUNTY TOURISM AND CONVENTION COMMISSION

For The Period
July 1, 2024 Through June 30, 2025

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SUMMARY OF PROCEDURES AND FINDINGS

AGREED-UPON PROCEDURES OF THE
BUTLER COUNTY TOURISM AND CONVENTION COMMISSION

For The Period July 1, 2024 Through June 30, 2025

The Butler County Tourism and Convention Commission engaged the Auditor of Public Accounts (APA) to obtain an Agreed-Upon Procedures (AUP) engagement for the period July 1, 2024 through June 30, 2025 in accordance with KRS 43.070(1)(c). AUP reports present the procedures performed and the results of those procedures, called findings. The summary below presents those findings for which an exception (an instance of noncompliance with the criteria) was identified during the AUP engagement.

During the AUP engagement of the Butler County Tourism and Convention Commission (Commission), the following exceptions were noted:

- The governing body did not meet on the basis required in the local ordinance. Minutes included significant actions of the governing board documenting the adopted budget; however, the minutes did not include all expenditure approvals.
- Bank account balances were confirmed as of June 30, 2025. Bank reconciliations were not performed for the months selected for testing. No transfers were noted to or from bank accounts.
- One check was noted payable to a SPGE member of the governing body. The check was reimbursement. Payment was traced to supporting documentation, was for a legitimate business purpose, and was properly authorized. However, the SPGE does not have adequate disbursement ledgers. The disbursement was in line with governing body policies.
- Six of ten disbursements could not be traced to supporting documentation. Three of ten disbursements were not authorized. The SPGE did not maintain a proper disbursement ledger; therefore, no payments could be traced.
- SPGE meetings were not held in accordance with requirements of the SPGE's local ordinance. SPGE submitted their reports timely. The SPGE was established in November of 2020, and this is the first attestation engagement required.

Findings related to procedures for which there were no exceptions identified, and official responses to exceptions are not included in the summary above but can be found in the full report. A copy of this report is available on the Auditor of Public Accounts' website at auditor.ky.gov.

Respectfully submitted,

Allison Ball

Allison Ball
Auditor of Public Accounts
Frankfort, KY

August 5, 2026

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AN EQUAL OPPORTUNITY EMPLOYER M/F/D

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ALLISON BALL
AUDITOR OF PUBLIC ACCOUNTS

Independent Accountant's Report
On Applying Agreed-Upon Procedures

The Honorable Roger Southerland, Butler County Tourism and Convention Commission Chairman
Members of the Butler County Tourism and Convention Commission Board of Directors

We have performed the procedures enumerated below, which were agreed to by the Butler County Tourism and Convention Commission, related to the Butler County Tourism and Convention Commission's management and board of directors compliance with *The Department of Local Government Attestation Engagements for Special Purpose Government Entities* regarding the accountability for receipts, disbursements, recordkeeping, leases, contracts, and liabilities during the period July 1, 2024 through June 30, 2025. An agreed-upon procedures engagement involves the APA performing specific procedures that the Butler County Tourism and Convention Commission has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed. The Butler County Tourism and Convention Commission's management is responsible for compliance with these requirements. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representations regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose. The Butler County Tourism and Convention Commission has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of determining the Butler County Tourism and Convention Commission's compliance with *The Department of Local Government Attestation Engagements for Special Purpose Government Entities* regarding the accountability for receipts, disbursements, recordkeeping, leases, contracts, and liabilities. The purpose of the engagement is to assist users in determining whether the Butler County Tourism and Convention Commission complied with the specified requirements. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

1. **General Procedures:**

1.1 Review minutes of the meetings of the SPGEs governing body. Determine whether the governing body met on a routine and consistent basis, and in compliance with the SPGEs articles of incorporation, by-laws, or local ordinance by performing the following procedures:

a. Inspect the minutes of the SPGE's governing body and the SPGE's articles of incorporation, by-laws, or local ordinance and document if the governing body met on the basis required in the articles of incorporation, by-laws, or local ordinance.

b. Determine minutes were sufficient in detail to identify debt approved during the year, expenditure approvals, and salary adjustment approvals, and any other information significant to the governance and operations of the SPGE.

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1.1 (Continued)

c. Read the minutes of the SPGE's governing body and determine that the minutes included significant actions of the governing board documenting the adopted budget, approval of debt issuance, salary approvals and adjustments, and expenditure approvals.

Finding -

The governing body did not meet on the basis required in the local ordinance. Minutes included significant actions of the governing board documenting the adopted budget; however, the minutes did not include all expenditure approvals.

Chairman's Response: The chairman did not respond.

1.2 Obtain a copy of, or access online, the SPGE's Financial Disclosure Report submitted to the Department for Local Government (DLG). Through review and inquiry, determine the following:

a. The Budget Estimates were submitted to DLG by the submission deadline. In the SPGE Public Portal (portal), inspect the SPGE Financial Disclosure Report and determine if budget estimates were submitted to DLG within 15 days following the beginning of the fiscal period for which the adopted budget applies.

b. The data reported agrees to the approved SPGE budget, adopted by the governing board/council/commission and recorded in official meeting minutes.

c. Compare the budget on the portal submitted to DLG to the budget that was adopted by the governing body of the SPGE and determine that the reported amounts agree to the adopted budget. Document any variances within 5% of the total budget.

Finding -

No exceptions were found as a result of applying the procedure.

1.3 Obtain a copy of the SPGE's Financial Disclosure Report submitted to the DLG. Through review and inquiry, determine the following:

a. The Amendments/Transfers and Year-End-Actuals were submitted to DLG by the submission deadline. Obtain the SPGE Financial Disclosure Report submitted to the DLG portal and determine if the SPGE's budget amendments, budget transfers, and year end actual amounts were submitted within 60 days of the close of the fiscal period.

b. Trace the SPGE's Financial Disclosure Report amounts submitted to the DLG portal to ledger or other cumulative receipts and expenditures listing of sufficient detail and determine whether the data reported agrees to the SPGE supporting records. For example, actual amounts should agree to the SPGE general ledger or other source records. Document any errors within 5% of the total receipts and expenditures, underlying records that did not exist, or insufficient records.

Finding -

No exceptions were found as a result of applying the procedure.

1.4 For each bank account held by the SPGE, review a sample of bank statements for four months during the engagement period, one of which should be the last month of the SPGE's fiscal year. Determine the following:

a. Obtain bank confirmations to confirm the year-end balances. Confirm period end balances for each bank account held by the SPGE.

b. Determine bank reconciliations were performed for each month selected.

i. For each bank account held by the SPGE, select three months bank statements and the period end bank statement. Determine that bank reconciliations were performed for each month selected.
ii. Determine they are mathematically correct, amounts trace to bank statements and ledger balances, and that reconciling items are appropriate.
iii. Determine if discrepancies in the bank reconciliations selected that exceed 3% of the period end bank balance were investigated.

c. Determine transfers to/from the bank account(s) were appropriately recorded in the SPGE accounting ledgers and trace to sufficient supporting documentation. From the bank statements selected, determine if transfers to/from the bank were recorded to the SPGE ledgers and trace 25 to their supporting documentation.

Finding -

Bank account balances were confirmed as of June 30, 2025. Bank reconciliations were not performed for the months selected for testing. No transfers were noted to or from bank accounts.

Chairman's Response: The chairman did not respond.

1.5 Using the four bank statements selected in Procedure 3 above, scan checks to:

a. Identify any checks made payable to an SPGE employee or member of governing body. For any checks written to such individuals other than routine payroll payments, trace to supporting documentation to determine that payment was for a legitimate business purpose, was authorized, properly recorded in the SPGE's disbursements ledger, and was in line with governing body policies.

b. From the bank statements selected, identify any payments to an SPGE employee or member of the governing body. For any non-payroll related expenses, trace to supporting documentation and determine it was for a legitimate business purpose, was authorized, recorded in the SPGE ledgers, and within the governing body's procurement policies.

Finding -

One check was noted payable to an SPGE member of the governing body. The check was for a reimbursement. Payment was traced to supporting documentation, was for a legitimate business purpose, and was properly authorized. However, the SPGE does not have adequate disbursement ledgers. The disbursement was in line with governing body policies.

Chairman's Response: The chairman did not respond.

1.6 From the disbursements ledger:

a. Select for further review any single payment exceeding 5% of total expenditures. Trace payments to supporting documentation to determine that the payment was for a legitimate business purpose, was authorized, properly recorded in the SPGE's disbursement ledger, and was in line with governing body procurement procedures.

b. Select for further review an additional 25 payments at random. Trace payments to supporting documentation to determine that the payment was for a legitimate business purpose, was authorized, properly recorded, and was in line with governing body procurement procedures.

Finding -

Six of ten disbursements could not be traced to supporting documentation. Three of ten disbursements were not authorized. The SPGE did not maintain a proper disbursement ledger; therefore, no payments could be traced.

Chairman's Response: The chairman did not respond.

1.7 Obtain statements related to all debt and financing arrangements related to the SPGE. Determine the following:

a. Debt/financing was approved by the governing body.

b. The SPGE is current in its debt service/financing payments.

c. Obtain debt and financing arrangements related to the SPGE to determine if they are approved by the governing body and that it is current in its debt service/financing payments.

Finding -

Procedure is not applicable since the entity had no debt during the period.

1.8 Obtain a list of all paid employees of the SPGE. Select a sample of five employees, one of which should be the agency head, and test the following:

a. If employee is on contract, review the contract to determine it is up-to-date and that payments/benefits paid to the employee during the year were in line with contractual requirements.

b. For all contract employees inspect the contract agreement with the SPGE and determine if the contract is current and if the employee is receiving pay and benefits in accordance with the contract requirements. For non-contract employees, sample four pay periods to ensure the employee was paid the appropriate pay rate, overtime rate, timesheets were reviewed and approved by a supervisor, and any salary adjustments made during the year were approved by the governing body and appropriately documented in the employee file.

c. Obtain a list of employees from the SPGE's records and randomly select the timesheets of four pay periods for five employees including the agency head. Determine these employees are paid their appropriate rates, timesheets are approved, salary adjustments were approved by the appropriate governing body, and updated within the employee file.

1.8 (Continued)

Finding -

Procedure is not applicable since the SPGE has no paid employees.

1.9 Procedure - For the previous three fiscal years since the last audit or attestation engagement, perform the following procedures:

a. Review minutes of meetings of the SPGE's governing body to determine that meetings were held in accordance with requirements identified in Procedure 1.1 above during the non-engagement periods.

b. Determine if the SPGE meetings were held in accordance with requirements of the SPGE's articles of incorporation, by-laws, or local ordinance by inspecting the previous three fiscal years documented minutes.

c. Review the SPGE's Financial Disclosure Reports submitted to DLG each year to determine that the SPGE complied with completing the form and submitting it to DLG.

d. Determine if the SPGE is completing their annual financial disclosure report to DLG by observing in the portal the previous three fiscal years records submitted.

e. Based on the financial information reported, determine whether the SPGE is complying with the frequency of engagements and appropriate level of assurance identified in KRS 65A.030.

f. Determine if an attestation engagement has been completed once every four years since July 1, 2014.

Finding -

SPGE meetings were not held in accordance with requirements of the SPGE's local ordinance. SPGE submitted their reports timely. The SPGE was established in November of 2020, and this is the first attestation engagement required.

Chairman's Response: The chairman did not respond.

We were engaged by the Butler County Tourism and Convention Commission to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. 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 compliance with specified requirements. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Butler County Tourism and Convention Commission and to meet our ethical responsibilities, in accordance with the relevant ethical requirements established by the Comptroller General of the United States in *Government Auditing Standards* related to our agreed-upon procedures engagement.

The purpose of this report is to present the procedures performed and the results of those procedures and is not intended for any other purpose. This report is intended solely for the information and use of the Butler County Tourism and Convention Commission and the Department for Local Government and is not intended to be and should not be used by anyone other than the specified parties.

Respectfully submitted,

Allison Ball

Allison Ball
Auditor of Public Accounts
Frankfort, KY

August 5, 2026

FINANCIAL DISCLOSURE REPORT

BUTLER COUNTY TOURISM AND CONVENTION COMMISSION

For The Period July 1, 2024 Through June 30, 2025

Appendix A

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SPGE

BUTLER COUNTY TOURISM AND CONVENTION COMMISSION

EID: 13729 | CYCLE: JUL-JUN | PARTICIPATION DATE: 07/01/2021

ACTIVE NON-COMPLIANT

FY 2025 NON ENTERPRISE FINANCIAL DISCLOSURE REPORT

Approved by governing body? * Yes

REVENUES	ESTIMATES	AMENDED	ACTUALS
Taxes (all categories)	$8,500.00	$1,500.00	$9,456.00
Permits and Licenses			
Payments in Lieu of Taxes			
Intergovernmental Revenues			
Charges for Services			
Other Revenues			
Interest Earned	$8.00		$11.00
Total Revenues	$8,508.00	$1,500.00	$9,467.00

RECEIPTS & CASH			
Cash Balance as of Start of FY	$2,879.00	N/A	$3,379.00
Bonded Debt, Public Corporation & G.O.			
Transfers to Other Funds			
Transfers from Other Funds			
Borrowed Money (all short term/single year)			
Governmental Leasing Act			
Loan(s) From Other Governments			
Total Approved Grant Exemptions (Payouts)	$0.00	$0.00	$0.00
All Other Borrowed Money			
Total Receipts and Cash	$2,879.00	$0.00	$3,379.00
Total Available	$11,387.00	$1,500.00	$12,846.00

APPROPRIATIONS			
Personnel			
Operations	$10,387.00	$2,300.00	$12,646.00
Administration	$1,000.00	($800.00)	$200.00
Capital Outlay			$0.00
Debt Service			
Total Appropriations	$11,387.00	$1,500.00	$12,846.00

FY 2025 Approved Grant Exemption Payout Detail (See Instructions)

Grant Date	Payout Amount	Grant Source	Grant Purpose Category	Grant Purpose	Acknowledg
	Total: $0.00				

Currently, there are no records

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