



Mary Taylor, CPA  
Auditor of State



**BROWN COUNTY DEMOCRATIC PARTY  
BROWN COUNTY**

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## Auditor of State

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

Secretary of State of Ohio  
Democratic Executive Committee  
PO Box 596  
Georgetown, Ohio 45121

We have performed the procedures enumerated below, to which the Democratic Executive Committee, Brown County, Ohio (the Committee), agreed, solely to assist the Committee in evaluating its compliance with certain requirements included in Ohio Rev. Code Sections 3517.1012, 3517.13(X)(1), 2(b), (3)(a), and (4), 3517.17, and 3517.18, for the year ended December 31, 2008. The Committee is responsible for complying with these requirements. We followed the American Institute of Certified Public Accountants' attestation standards for agreed-upon procedures engagements 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 Committee. 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.

#### Cash Receipts

1. We inquired of the Committee whether they deposited all gifts from corporations, labor organizations and all gifts restricted to operations into the same fund into which they deposit amounts received from the State Tax Commissioner. Management informed us they received no such gifts.
2. We footed each *Statement of Contributions Received* (Form 31-A) filed for 2008. We noted that the party did not file form 31-CC but instead filed form 31-A. We noted no computation errors.

Oho Rev. Code, Section 3517.17(A)(2), states that a political party must deposit into its restricted fund all public monies received from the Ohio Political Party Fund. Ohio Rev. Code Section 3517.10(C)(6)(b) states the Secretary of State shall prescribe the form for all statements required to be filed under this section. Therefore, the Committee is required to use the *Statement of Political Party Restricted Fund Deposits Form* (Deposit Form 31-CC) to report all receipts from the Ohio Political Party Fund.

3. We compared bank deposits reflected in 2008 restricted fund bank statements to total deposits recorded on Form 31-A for 2008. The bank deposit amounts agreed to the deposits recorded in the Form.
4. We scanned the Committee's 2008 bank statements and noted they did not reflect four quarterly payments received from the State Tax Commissioner pursuant to Ohio Rev. Code 3517.17(A). We noted in the prior year report that the Committee had not filed the proper forms to have payments from the State Tax Commissioner direct deposited into the restricted fund. The proper forms were filed and the Committee received two payments in fiscal year 2008. The Deposit Form 31-A reported the sum of these two payments without exception.

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5. We scanned other recorded 2008 receipts for evidence that a corporation or labor organization may have exceeded the \$10,000 annual gift limit Ohio Rev. Code 3517.13(X)(3)(a) imposes. No gifts were received in 2008 from any corporation or labor organization.

### **Cash Reconciliation**

1. We recomputed the mathematical accuracy of the December 31, 2008 reconciliation for the bank account used for receipts and disbursements. We found no computational errors.
2. We agreed the bank balance on the reconciliation to the bank statement balance as of December 31, 2008. The balances agreed.

### **Cash Disbursements**

1. We footed each *Statement of Expenditures* (Form 31-B), filed for 2008. Ohio Revised Code Section 3517.10(C)(6)(b) states the Secretary of State shall prescribe all forms required to be filed under this section. The Secretary of State prescribes Disbursement Form 31-M be used to report all expenditures filed in 2008. We noted that form 31-M was not filed; instead the Party filed form 31-B. We noted no computation errors.
2. Per Ohio Rev. Code 3517.13(X)(1), we scanned *Statement of Expenditures* Form 31-B filed for 2008 and inquired of management whether they transferred any cash from the restricted fund to any other political party account into which contributions may be made or from which contributions or expenditures may be made. We found no evidence of prohibited transfers.
3. We compared the amounts on checks or other disbursements reflected in 2008 restricted fund bank statements to disbursement amounts reported on *Statement of Expenditures* Forms 31-B filed for 2008. The Party filed a Form 31-B instead of the required 31-M report. We found no discrepancies on this form.
4. For each disbursement on the *Statement of Expenditures* Forms 31-B filed for 2008, we traced the payee and amount to payee invoices and to the payee's name on canceled checks. The payees and amounts recorded on *Statement of Expenditures* Forms 31-B agreed to the payees and amounts on the canceled checks and invoices. We noted that form 31-M was not filed; instead the Party filed *Statement of Expenditures* form 31-B. We found no discrepancies on this form.
5. We scanned the payee for each 2008 disbursement for evidence that it might represent a contribution or campaign-related disbursement, both of which Ohio Rev. Code 3517.13(X)(2)(b) prohibit. We found no evidence that any restricted fund disbursements represented contributions or campaign-related disbursements.
6. We compared the signature on 2008 checks to the list dated August 24, 2006 of authorized signatories the Committee provided to us. The signatory on all checks we selected was an approved signatory. We compared the endorsement to the payee listed on the check without exception.
7. We scanned each 2008 restricted fund disbursement recorded on Form 31-B *Statement of Expenditures* for evidence that it represented a transfer from the restricted fund to any other state or county political party, which Ohio Rev. Code 3517(X)(4) prohibits. We noted that form 31-M was not filed; instead the Party filed form 31-B. We found no evidence of any transfers.

8. We compared the purpose of each disbursement listed on 2008 *Statement of Expenditures* Forms 31-B to the purpose listed on the vendor invoice and to the purposes Ohio Rev. Code Section 3517.18 permits. We found no instances where the purpose described on the invoice violated the restrictions of Ohio Rev. Code Section 3517.18.

We were not engaged to, and did not examine each *Statement of Contributions Received* and *Statement of Expenditures* filed for 2008, the objective of which would have been to opine on compliance. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that we would have reported to you.

This report is intended solely for the information and use of the Secretary of State of Ohio and for the Democratic Executive Committee and is not intended to be and should not be used by anyone else.



**Mary Taylor, CPA**  
Auditor of State

August 4, 2009







Mary Taylor, CPA  
Auditor of State

**DEMOCRATIC PARTY**

**BROWN 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 1, 2009**