



Mary Taylor, CPA  
Auditor of State



REPUBLICAN PARTY  
GALLIA COUNTY

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# Mary Taylor, CPA

## Auditor of State

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

Secretary of State of Ohio  
Republican Party Executive Committee  
Gallia County  
148 Lila Drive  
Gallipolis, Ohio 45631

We have performed the procedures enumerated below, to which the Republican Party Executive Committee, Gallia 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, 2009. 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. The activity for the *Statement of Political Party Restricted Fund Deposits* Ohio Rev. Code Section 3517.17 requires was recorded on the *Statement of Contributions Received* (Form 31-A). We footed each *Statement of Contributions Received* filed for 2009. We noted no computational errors.
3. We compared bank deposits reflected in 2009 restricted fund bank statements to total deposits recorded in Deposit Form 31-A filed for 2009. The bank deposit amounts agreed to the deposits recorded in the Form.
4. We scanned the Committee's 2009 bank statements and noted they reflected three quarterly payments received from the State Tax Commissioner pursuant to Ohio Rev. Code 3517.17(A). The Treasurer deposited \$58.23 received in January to the executive account rather than the restricted fund account. As a result, the Treasurer must move \$58.23 from the executive account to the restricted fund account.
5. We scanned other recorded 2009 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. We found no evidence that any corporation or labor organization exceeded this limit.

### Cash Reconciliation

1. We recomputed the mathematical accuracy of the December 31, 2009 reconciliation for the bank account used for receipts and disbursements restricted pursuant to Ohio Rev. Code Section 3517.1012(A). We found no computational errors.
2. We agreed the bank balance on the reconciliation to the bank statement balance as of December 31, 2009. The balances agreed.

### Cash Disbursements

1. The activity for the *Statement of Political Party Restricted Fund Disbursements* Ohio Rev. Code Section 3517.17 requires, was recorded on the *Statement of Expenditures* (Form 31-B). We footed each *Statement of Expenditures* filed for 2009. We noted no computational errors.
2. Per Ohio Rev. Code 3517.13(X)(1), we scanned Disbursement Form 31-B filed for 2009 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. During our scan of the 2009 activity, the Treasurer attempted to correct a 2008 error wherein she deposited \$104.69 received to the executive account rather than the restricted fund account. However, instead of moving the money from the executive account into the restricted fund account, she moved it from the restricted fund account to the executive account. This now increases the amount the executive account owes the restricted fund account to \$209.38.
3. We compared the amounts on checks or other disbursements reflected in 2009 restricted fund bank statements to disbursement amounts reported on Disbursement Form 31-B filed for 2009. We found no discrepancies.
4. For each disbursement on Disbursement Form 31-B filed for 2009, we traced the payee and amount to payee invoices and to the payee's name on canceled checks. Except for check numbers 1001 and 1002, the payees and amounts recorded on Disbursement Form 31-B agreed to the payees and amounts on the canceled checks and invoices. Checks 1001 and 1002, as listed on Form 31-B did not list the payees. Per a review of the cancelled checks, the payee on check number 1001 was Ratliff Pools. Item #8 below addresses this check further. The payee on check number 1002 was David Smith. Item #5 below addresses this check further.
5. We scanned the payee for each 2009 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. The Treasurer issued check number 1002 to David Smith. This payment of \$392 was to reimburse David Smith for a phone advertisement concerning candidate Fred Thompson. Upon discussion, the Treasurer immediately recognized that this was written from the restricted fund account rather than the executive account in error. The Party should therefore adjust the fund balances to reflect this payment in the executive account.
6. We compared the signature on 2009 checks to the list dated February 18, 2010 of authorized signatories the Committee provided to us. The signatory on all checks we selected was the approved signatory. We compared the endorsement to the payee listed on the check without exception.
7. We scanned each 2009 restricted fund disbursement recorded on Form 31-B 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 found no evidence of any transfers.

**Cash Disbursements (Continued)**

8. We compared the purpose of each disbursement listed on 2009 Disbursement Form 31-B to the purpose listed on the vendor invoice and to the purposes Ohio Rev. Code Section 3517.18 permits. Check number 1001 for \$350.69 to Ratliff Pools and check number 1002 for \$392.00 to David Smith did not indicate a purpose on the Disbursement Form 31-B, but rather on the check itself. Upon further investigation, we found American Electric Power billed Ratliff Pools for both their portion of usage and the Republican Party's portion. American Electric Power provided the Treasurer with a corrected breakdown and Ratliff Pools was correctly reimbursed. Item #5 above addressed check number 1002.

We were not engaged to, and did not examine each *Statement of Political Party Restricted Fund Deposits* and *Statement of Political Party Restricted Fund Disbursements* filed for 2009, 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 Republican Party Executive Committee and is not intended to be, and should not be used by anyone else.



**Mary Taylor, CPA**  
Auditor of State

March 26, 2010







**Mary Taylor, CPA**  
Auditor of State

REPUBLICAN PARTY

GALLIA 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  
APRIL 13, 2010