



Mary Taylor, CPA
Auditor of State

**BROWN COUNTY REPUBLICAN PARTY
BROWN COUNTY**

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Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Secretary of State of Ohio
Republican Executive Committee
Brown County
105 Agency Lane
PO Box 475
Mt. Orab, Ohio 45154

We have performed the procedures enumerated below, to which the Brown County Republican 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 scanned the Committee's 2008 bank statements and noted they did not receive any of the four quarterly payments from the State Tax Commissioner pursuant to Ohio Rev. Code 3517.17(A). It was also noted, the Committee did not receive the payments due in July and October 2007. The Office of Budget and Management (OBM) informed us that effective July 1, 2007, they could not pay any entity unless the entity submitted an IRS Form W-9. The Committee should contact OBM and determine whether they must submit a W-9 or take other action to receive the July and October 2007 payments and all four 2008 payments. Due to not receiving any monies during 2008, the Committee did not file a *Statement of Political Party Restricted Fund Deposits* Ohio Rev. Code Section 3517.17 requires (Deposit Form 31-CC).
3. We scanned for 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 a 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 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, 2008. The balances agreed.

Cash Disbursements

1. We footed each *Statement of Expenditures* (Form 31-B), filed for 2008. We noted the party did not file form 31-M but instead filed form 31-B. We noted no computation errors.

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 should use the *Statement of Political Party Restricted Fund Disbursements* (Deposit Form 31-M) to report all expenditures from the Ohio Political Party Fund.

2. Per Ohio Rev. Code 3517.13(X)(1), we scanned 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 Expenditures Form 31-B filed for 2008. We found no discrepancies.
4. For each disbursement on Expenditures Form 31-B filed for 2008, we traced the payee and amount to the canceled checks. The payees and amounts recorded on Expenditures Form 31-B agreed to the payees and amounts on the canceled checks.
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 the 2008 check to the list dated June 16, 2009 of authorized signatories the Committee provided to us. The signatory on all checks we selected was an approved signatory, however, during confirmation of authorized signatories with the bank, it was noted Treasurer Steven Loehrke had not previously been added to the signatory card. The signature card was updated at this time by the Committee.
7. We scanned each 2008 restricted fund expenditures 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.
8. We compared the purpose of each expenditures listed on 2008 Expenditures Form 31-B to the purposes Ohio Rev. Code Section 3517.18 permits. We found no instances where the purpose described violated the restrictions of Ohio Rev. Code Section 3517.18.

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We were not engaged to, and did not examine each *Ohio Campaign Finance Report 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 Republican Executive Committee and is not intended to be and should not be used by anyone else.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

July 15, 2009



Mary Taylor, CPA
Auditor of State

REPUBLICAN 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
AUGUST 27, 2009