

AUGLAIZE COUNTY DEMOCRATIC PARTY

AUGLAIZE COUNTY

**JANUARY 1, 2016 TO DECEMBER 31, 2016
AGREED UPON PROCEDURES**



Dave Yost • Auditor of State

Executive Committee
Auglaize County Democratic Party
218 Eastown Drive Apt 201
Wapakoneta, OH 45895

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Auglaize County Democratic Party, prepared by Julian & Grube, Inc., for the period January 1, 2016 through December 31, 2016. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

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 Auglaize County Democratic Party is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

May 3, 2017

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Julian & Grube, Inc.

Serving Ohio Local Governments

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Secretary of State of Ohio
Democratic Executive Committee
Auglaize County
218 Eastown Drive
Apartment 201
Wapakoneta, OH 45895

We have performed the procedures enumerated below, with which the Democratic Executive Committee (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, 2016. The Committee is responsible for complying with these requirements. 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*. 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 Political Party Restricted Fund Deposits* Ohio Rev. Code 3517.17 requires (Deposit Form 31-CC), filed for 2016. We noted no computational errors.
3. We compared bank deposits reflected in 2016 restricted fund bank statements to total deposits recorded in Deposit Form 31-CC, filed for 2016. The bank deposit amounts agreed to the deposits recorded in the Form.
4. We scanned the Committee's 2016 bank statements and noted they reflected four quarterly payments received from the State Tax Commissioner pursuant to Ohio Rev. Code 3517.17(A). The Deposit Form 31-CC reported the sum of these four payments without exception.
5. We scanned other 2016 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, 2016 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, 2016. The balances agreed.

Cash Reconciliation – (Continued)

3. There were no reconciling items on the December 31, 2016 cash reconciliation.

Cash Disbursements

1. We did not foot each *Statement of Political Party Restricted Fund Disbursements* Ohio Rev. Code 3517.17 requires as it was not filed for 2016. We footed each *Statement of Expenditures* (Form 31-B), which was filed for 2016. We noted no computational errors.

Ohio Rev. Code Section 3517.17 indicates the secretary of state shall prescribe the form for all statements required to be filed under this section. As prescribed by the Ohio Secretary of State, the Committee is required to use the *Statement of Political Party Restricted Fund Disbursements* (Deposit Form 31-M revised 3/05) to report all expenditures from the Ohio Political Party Fund.

The Committee used an outdated *Statement of Expenditures* (Form 31-B) to report expenditures from the Ohio Political Party. The Committee should use the latest *Statement of Political Party Restricted Fund Disbursements* form (Form 31-M) to report expenditures from the Ohio Political Party.

2. Per Ohio Rev. Code 3517.13(X)(1), we did not scan Disbursement Form 31-M, which was not filed for 2016, 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 and expenditures may be made. We scanned *Statement of Expenditures* (Form 31-B), which was filed for 2016, 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 did not compare the amounts on checks or other disbursements reflected in 2016 restricted fund bank statements to disbursement amounts reported on Disbursement Form 31-M, which was not filed for 2016. We compared the amounts on checks or other disbursements reflected in 2016 restricted bank statements to disbursements amounts reported on *Statement of Expenditures* (Form 31-B), which was filed for 2016. We found no discrepancies. It was also noted that disbursements on the Form 31-B were paid from both the Restricted Fund and the Local Campaign Fund.

Ohio Rev. Code Section 3517.17(A)(2) states that each party treasurer receiving public moneys from the Ohio Political Party Fund shall deposit those moneys into the party's restricted fund created under section 3517.1012 of the Revised Code, shall expend and maintain those moneys subject to the requirements of that section and section 3517.18 of the Revised Code, and shall file deposit and disbursement statements as required by division (B) of section 3517.1012 of the Revised Code.

The Committee should only report disbursements from the restricted fund when reporting on disbursements of public money received from the Ohio political party fund.

4. For each disbursement on Disbursement Form 31-M filed for 2016, we did not trace the payee and amount to payee invoices and to the payee's name on cancelled checks as it was not filed for 2016. We traced the payee's name on the payee invoice to the *Statement of Expenditures* (Form 31-B), which was filed for 2016. The payee and amount recorded on the Disbursement Form agreed to the payee and amount on the payee invoice.
5. We scanned the payee for each 2016 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.

Cash Disbursements – (Continued)

6. We compared the signature on 2016 checks to the list date 2016 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 did not scan each 2016 restricted fund disbursement recorded on Form 31-M 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, as it was not filed for 2016. We scanned each 2016 restricted fund disbursement recorded on *Statement of Expenditures* Form 31-B, which was filed for 2016, 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 did not compare the purpose of each disbursement listed on 2016 Disbursement Form 31-M to the purpose listed on the vendor invoice and to the purposes Ohio Rev. Code Section 3517.18 permits as it was not filed for 2016. We compared the purpose of each disbursement listed on the 2016 *Statement of Expenditures* Forms 31-B, which was filed for 2016, 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 Political Party Restricted Fund Deposits* and *Statement of Political Party Restricted Fund Disbursements* filed for 2016, 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 Auglaize County Democratic Executive Committee and is not intended to be and should not be used by anyone other than these specified parties.



Julian & Grube, Inc.
April 6, 2017

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Dave Yost • Auditor of State

AUGLAIZE COUNTY DEMOCRATIC PARTY

AUGLAIZE 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
MAY 16, 2017**