



Mary Taylor, CPA  
Auditor of State



DEMOCRATIC PARTY  
PERRY COUNTY

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# Mary Taylor, CPA

## Auditor of State

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

Secretary of State of Ohio  
Democratic Executive Committee  
Perry County  
4525 Old Somerset Road NE  
Somerset, Ohio 43783-9755

We have performed the procedures enumerated below, to which the Democratic Party 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, 2006. 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. 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 2006, since the Committee did not prepare and file the *Statement of Political Party Restricted Fund Deposits* Ohio Rev. Code Section 3517.17 requires (Deposit Form 31-CC). We noted no computational errors on Form 31-A.
3. We compared bank deposits reflected in 2006 restricted fund bank statements to total deposits recorded in Form 31-A filed for 2006. We found no exceptions.
4. We confirmed amounts received from the State Tax Commissioner pursuant to Ohio Rev. Code 3517.17(A), and agreed them to amounts shown on Form 31-A filed for 2006. We found no exceptions.
5. We scanned other recorded receipts for evidence that a corporation or labor organization may have exceeded the \$10,000 annual gift limit Ohio Rev. Code 3517(X)(3)(a) imposes. We found no evidence that any corporation or labor organization exceeded this limit.

### **Cash Reconciliation**

1. Utilizing the Committee's check register, we re-performed the December 31, 2006 reconciliation for the bank account used for receipts and disbursements restricted pursuant to Ohio Rev. Code Section 3517.1012(A). No exceptions were noted.
2. We agreed the bank balance on the check register and reconciliation to the balance on hand per the Ohio Campaign Finance Report (Form 30-A) and to the bank statement balance as of December 31, 2006. The balances agreed. We noted no reconciling items.

### **Cash Disbursements**

1. We footed the *Statement of Expenditures* (Form 31-B) filed for 2006, since the Committee did not prepare and file the *Statement of Political Party Restricted Fund Disbursements* Ohio Rev. Code Section 3517.17 requires (Disbursement Form 31-M). We noted no computational errors.
2. Per Ohio Rev. Code 3517.13(X)(1), we scanned Form 31-B 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 on 2006 restricted fund bank statements to disbursement amounts reported on Disbursement Form 31-B filed for 2006. No exceptions were noted.
4. For each disbursement on Disbursement Form 31-B filed for 2006, we traced the payee and amount to payee invoices and to the payee's name on canceled checks. There were six disbursements made during 2006. We noted that a \$3.00 disbursement was made to Chairman, Charles Harnetty, for reimbursement for postage he had purchased. There was no invoice/sales receipt on file to support the reimbursement amount. We recommend that supporting documentation be maintained for all disbursements. Documentation was on file to support check amounts and payees for the remaining five disbursements. The amounts and payees recorded on Disbursement Form 31-B agreed to cancelled checks for all disbursements and to the invoices/sales receipts on file for five of the disbursements.
5. We scanned the payee for each disbursement for evidence that it might represent a contribution or campaign-related disbursement, both of which Ohio Rev. Code 3517(X)(2)(b) prohibit. We found no evidence that any restricted fund disbursements represented contributions or campaign-related disbursements.
6. The signatory on all checks was an approved signatory. We compared the endorsement to the payee listed on the check without exception.
7. We scanned each 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.
8. We compared the purpose of each disbursement listed on Disbursement Form 31-B, filed for 2006, to the purpose listed on the vendor invoice and/or cancelled check 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.

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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 2006, 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.

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

March 23, 2007







**Mary Taylor, CPA**  
Auditor of State

**DEMOCRATIC PARTY**

**PERRY 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 10, 2007**