



Mary Taylor, CPA  
Auditor of State





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

Secretary of State of Ohio  
Democratic Executive Committee  
P.O. Box 812  
Youngstown, Ohio 44501-0812

We have performed the procedures enumerated below, to which the Democratic Executive Committee (the Committee) agreed, solely to assist the Committee in evaluating its compliance with certain requirements included in Ohio Revised 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, 2007. 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. Management informed us they did not prepare a *Statement of Political Party Restricted Fund Deposits* (Deposit Form 31-CC) for the year ended 2007. Ohio Revised Code Section 3517.17 requires the Party to prepare a Form 31-CC.
3. We scanned the Committee's 2007 bank statements and noted they reflected four quarterly payments received from the State Tax Commissioner pursuant to Ohio Revised Code Section 3517.17(A).
4. We scanned other recorded 2007 receipts for evidence that a corporation or labor organization may have exceeded the \$10,000 annual gift limit Ohio Revised Code Section 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, 2007 reconciliation for the bank account used for receipts and disbursements restricted pursuant to Ohio Revised 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, 2007. The balances agreed.

### **Cash Reconciliation – (Continued)**

3. We agreed reconciling items (monthly bank account service fees) appearing on the reconciliation to bank statements. We determined that the dates and amounts on those documents support that those items were proper reconciling items and were recorded in the proper amount on the reconciliation as of December 31, 2007.

### **Cash Disbursements**

1. Management informed us they did not prepare a *Statement of Political Party Restricted Fund Disbursements* (Disbursement Form 31-M) for the year ended 2007. Ohio Revised Code Section 3517.17 requires the Party to prepare a Form 31-M.
2. Per Ohio Revised Code Section 3517.13(X)(1), we 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. For the disbursement, we traced the payee and amount to the payee's name and amount on the canceled check. The disbursement was for service charges related to closing the prior public funds account.
4. We scanned the payee for the 2007 disbursement for evidence that it might represent a contribution or campaign-related disbursement, both of which Ohio Revised Code Section 3517.13(X)(2)(b) prohibit. We found no evidence that any restricted fund disbursements represented contributions or campaign-related disbursements.
5. We compared the signature on the 2007 check to the list of authorized signatories the Committee provided to us. The signatory on the check was an approved signatory. We compared the endorsement to the payee listed on the check without exception.
6. We scanned the 2007 restricted fund disbursement for evidence that it represented a transfer from the restricted fund to any other state or county political party, which Ohio Revised Code Section 3517(X)(4) prohibits. We found no evidence of any transfers.
7. We compared the purpose of the disbursement to the purposes Ohio Revised Code Section 3517.18 permits. We found no instances where the purpose violated the restrictions of Ohio Revised 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* since management informed us that these forms were not prepared or filed for 2007, 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

December 15, 2008





Mary Taylor, CPA  
Auditor of State

DEMOCRATIC PARTY

MAHONING 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  
DECEMBER 31, 2008