



Dave Yost • Auditor of State





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

Secretary of State of Ohio  
Republican Executive Committee  
Hamilton County  
700 Walnut Street, Suite 309  
Cincinnati, Ohio 45202

We have performed the procedures enumerated below, to which the Republican Executive Committee, Hamilton 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, 2010. 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. They informed us they did use this fund for all such gifts.
2. We footed each *Statement of Political Party Restricted Fund Deposits* Ohio Rev. Code Section 3517.17 requires (Deposit Form 31-CC), filed for 2010. We noted no computational errors.
3. We compared bank deposits reflected in 2010 restricted fund bank statements to total deposits recorded in Deposit Forms 31-CC filed for 2010. The bank deposit amounts agreed to the deposits recorded in the Form.
4. We scanned the Committee's 2010 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 Forms 31-CC reported the sum of these four payments without exception.
5. We scanned other recorded 2010 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.
6. Ohio Rev. Code, 3517.1012, requires the Party to file Forms 31-CC electronically with the Secretary of State when the Committee receives gifts from corporations or labor organizations. We viewed Forms 31-CC submitted for 2010 on the Secretary of State's website.

### Cash Reconciliation

1. We recomputed the mathematical accuracy of the December 31, 2010 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, however the party completed the reconciliation as of December 28, 2010 instead of at December 31, 2010.
2. We attempted to agree the bank balance on the reconciliation to the bank statement balance as of December 31, 2010. The balances did not agree. The bank balance on the reconciliation was \$20,276 and the bank balance per the bank statement was \$13,869. The party completed the reconciliation as of December 28, 2010 and reconciled to the November 30, 2010 bank statement.

#### Official's Response:

Agreed, our bank statements reconciled but reconciliations should be conducted through the last day of the month rather than through random days of the month.

3. We agreed reconciling items in excess of \$1,000 appearing on the reconciliation to canceled checks or deposit slips. 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 28, 2010.

### Cash Disbursements

1. We footed each *Statement of Political Party Restricted Fund Disbursements* Ohio Rev. Code, Section 3517.17, requires (Disbursement Form 31-M), filed for 2010. We noted no computational errors.
2. Per Ohio Rev. Code, 3517.13(X)(1), we scanned Disbursement Form 31-M filed for 2010 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 of the disbursements reflected in 2010 restricted fund bank statements electronic payments to disbursement amounts reported on Disbursement Forms 31-M filed for 2010. We found four disbursements totaling \$400.62 that were disbursed and cleared the bank in 2009 but recorded on the 31-M filed for 2010, and four disbursements totaling \$236.98 that were disbursed and cleared the bank in 2010 but not reported on the 31-M filed for 2010. The Party completed monthly and year end reconciliation prior to year end resulting in the activity reported on the 31-M reports not reflecting a complete list of disbursements for 2010.
4. We haphazardly selected 40 disbursement transactions on Disbursement Forms 31-M filed for 2010, we attempted to trace the payee and amount to payee invoices and amount to the payee's name on cancelled checks. All disbursements were made by electronic funds transfer in 2010 therefore no checks were issued to compare. We were able to agree selected disbursements to the bank statement. The payees and amounts recorded on Disbursement Forms 31-M agreed to the payees and amounts on the invoices.
5. We scanned the payee for each 2010 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 attempted to compare the signature on 2010 checks to the list of authorized signatories the Committee provided to us. All disbursements were made by electronic funds transfer in 2010 therefore no checks were issued to compare signatures.

7. We scanned each 2010 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. We found no evidence of any transfers.
8. We compared the purpose of the disbursements we selected in step 3 above listed on 2010 Disbursement Forms 31-M 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.
9. Ohio Rev. Code, 3517.1012 requires the Party to file Forms 31-M electronically with the Secretary of State when the Committee receives gifts from corporations or labor organizations. We viewed Forms 31-M submitted for 2010 on the Secretary of State's website.

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 2010, 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.



**Dave Yost**  
Auditor of State

October 14, 2011

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**HAMILTON COUNTY REPUBLICAN PARTY**

**HAMILTON 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  
NOVEMBER 15, 2011**