



Dave Yost • Auditor of State



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Secretary of State of Ohio
Democratic Executive Committee
PO Box 596
Georgetown, Ohio 45121

We have performed the procedures enumerated below, to which the Democratic 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, 2012. 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 footed each Statement of Contributions Received Form (Form 31A) which was filed rather than the *Statement of Political Party Restricted Fund Deposits* Ohio Rev. Code Section 3517.17 requires (Deposit Form 31-CC), filed for 2012. We noted no computational errors.

Ohio Rev. Code Section 3517.1012(B) requires the Committee to file the *Statement of Political Party Restricted Fund Deposits* (Deposit Form 31-CC) with the Ohio Secretary of State for 2012. We recommend the Committee file Deposit Form 31-CC in accordance with Ohio Revised Code Section 3517.1012(B) to report all deposits in the Ohio Political Party Fund.

3. We compared bank deposits reflected in 2012 restricted fund bank statements to total deposits recorded in Forms 31-A filed for 2012. The bank deposit amounts agreed to the deposits recorded in the Form.

4. We scanned the Committee's 2012 bank statements and noted they reflected three of the four quarterly payments received from the State Tax Commissioner pursuant to Ohio Rev. Code 3517.17(A). We recommend the Committee contact the State Tax Commissioner to follow up on the status of the missing payment.
5. We scanned other recorded 2012 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

We did not re-compute the mathematical accuracy of the December 31, 2012 reconciliation for the Committee's bank account, because no bank reconciliations were performed. We, however, scanned the Committee's bank statements for 2012 and noted no reconciling items at December 31, 2012. We recommend the Committee reconcile their bank account at year end.

Cash Disbursements

1. Ohio Revised Code Section 3517.1012(B) requires the Committee to file the *Statement of Political Party Restricted Fund Disbursements* (Disbursement Form 31-M). The Committee did not file Form 31-M. We recommend the Committee file the *Statement of Political Party Restricted Fund Disbursements* report expenditures from the Ohio Political Party Fund.
2. 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. Two disbursements were noted in the bank statements, we traced the payee and amount to payee invoice and to the payee's name on canceled checks, both agreed.
4. We scanned the payee for the 2012 disbursements 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.
5. We compared the signature on 2012 checks to the authorized signatories named by the Committee. The signatory on the check we selected was an approved signatory.
6. We scanned the 2012 restricted fund disbursements for evidence that it represented a transfer from the restricted fund to any other state or county political party, which Ohio Rev. Code 3517.13(X)(4) prohibits. We found no evidence of any transfers.
7. We compared the purpose on the memo line of the cancelled check 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 Contributions Received* and *Statement of Expenditures* filed for 2012, 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 "Dave Yost". The signature is written in a cursive style with a large, looping initial "D" and a long, sweeping tail on the "y".

Dave Yost
Auditor of State

April 3, 2013

This page intentionally left blank.



Dave Yost • Auditor of State

BROWN COUNTY DEMOCRATIC 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
MAY 14, 2013**