



**DEMOCRATIC PARTY  
HANCOCK COUNTY**

**AGREED UPON PROCEDURES**

**FOR THE YEAR ENDED DECEMBER 31, 2006**



**Mary Taylor, CPA**  
Auditor of State



DEMOCRATIC PARTY  
HANCOCK COUNTY

TABLE OF CONTENTS

<b>TITLE</b>	<b>PAGE</b>
Independent Accountants' Report on Applying Agreed-Upon Procedures.....	1

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# Mary Taylor, CPA

## Auditor of State

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

Secretary of State of Ohio  
Democratic Executive Committee  
414 W. Hardin St.  
Findlay, Ohio 45840

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 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 requested copies of each *Statement of Political Party Restricted Fund Deposits* Ohio Rev. Code Section 3517.17 requires (Deposit Form 31-CC), filed for 2006. The Committee did not file Deposit Form 31-CC, rather, they filed form 31-A, *Statement of Contributions Received* (Form 31-A). We footed each Form 31-A filed for 2006. We noted no computational errors.
3. We compared bank deposits reflected in 2006 restricted fund bank statements to total deposits recorded in Forms 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 Forms 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. We recomputed the mathematical accuracy of the December 31, 2006 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 compared the bank balance on the reconciliation to the bank statement balance as of December 31, 2006. The balances agreed.

### **Cash Disbursements**

1. We requested copies of each *Statement of Political Party Restricted Fund Disbursements* Ohio Rev. Code Section 3517.17 requires (Disbursement Form 31-M), filed for 2006. The Committee did not file Form 31-M, rather, they filed *Statement of Expenditures* (Form 31-B). We footed each Form 31-B, filed for 2006. 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 in 2006 restricted fund bank statements to disbursement amounts reported on Forms 31-B filed for 2006. We found no exceptions.
4. For each disbursement on Forms 31-B filed for 2006, except check #359, we traced the payee and amount to payee invoices to the photo copy of the check on the bank statement. Check #359 made out to Chamber of Commerce per Form 31-B was written to HLAA per photo copy of check on the bank statement.
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. Except for 3 checks, we compared the signature on checks issued in 2006 to the list of authorized signatories the Committee provided to us. We compared the endorsement to the payee listed on the check without exception. The 3 checks we could not compare signatures were processed through the Check 21 guidelines. We were able to agree the amount paid and payee on the invoice to descriptions included in the bank statements.
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.

**Cash Disbursements – (Continued)**

8. We compared the purpose of each disbursement, except check #359, listed on Form 31-B, filed for 2006, to the purpose listed on the vendor invoice. We found no instances where the purpose described on the invoice violated the restrictions of Ohio Rev. Code Section 3517.18.

Check #359 issued in the amount of \$185 was made out to the HLAA was not supported by an invoice. However, the explanation given for the purpose of the disbursement and the vendor the check was issued to do not violate 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 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.



**Mary Taylor, CPA**  
Auditor of State

May 15, 2007







Mary Taylor, CPA  
Auditor of State

**DEMOCRATIC PARTY**

**HANCOCK 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  
JUNE 14, 2007**