



**Mary Taylor, CPA**  
Auditor of State



REPUBLICAN PARTY  
PUTNAM COUNTY

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# Mary Taylor, CPA

## Auditor of State

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

Secretary of State of Ohio  
Republican Executive Committee  
P.O. Box 143  
Kalida, Ohio 45853-0143

We have performed the procedures enumerated below, to which the Republican 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, 2009. 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 the *Statement of Political Party Restricted Fund Deposits* Ohio Rev. Code Section 3517.17 requires (Deposit Form 31-CC), filed for 2009. We noted that the page total on Deposit Form 31-CC equaled \$165.33, however the total of the individual deposits listed on Deposit Form 31-CC equaled \$165.08, a \$0.25 difference.
3. We compared bank deposits reflected in 2009 restricted fund bank statements to total deposits recorded in Deposit Form 31-CC filed for 2009. The bank deposit amounts agreed to the deposits recorded in the Form except for one deposit of \$0.25 which was not recorded on Deposit Form 31-CC.
4. We scanned the Committee's 2009 bank statements and noted they only reflected two of four quarterly payments issued by the State Tax Commissioner pursuant to Ohio Rev. Code 3517.17(A). The payments of \$39.53 and \$0.77 were never acknowledged as having been received by the Committee. Also, one deposit in the amount of \$110.48 consisting of a payment from the State Tax Commissioner from 2008 was subsequently charged back to the bank account because the warrant had become stale dated. The Committee should request reissuance of this warrant from the Office of Budget and Management.

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5. We scanned other recorded 2009 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**

1. We recomputed the mathematical accuracy of the December 31, 2009 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 agreed the bank balance on the reconciliation to the bank statement balance as of December 31, 2009. The balances agreed.

#### **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 2009. We noted no computational errors.
2. Per Ohio Rev. Code 3517.13(X)(1), we scanned bank statements for 2009 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 2009 restricted fund bank statements to disbursement amounts reported on Disbursement Form 31-M filed for 2009. We found one discrepancy where a returned warrant in the amount of \$110.48 was recorded as a disbursement in the amount of \$110.73, a \$0.25 difference.
4. For each disbursement on Disbursement Form 31-M filed for 2009, we attempted to trace the payee and amount to payee invoices and to the payee's name on canceled checks. The payee and amount recorded on Disbursement Form 31-M agreed to the payee and amount on the one canceled check. The payee's name on the check differed from the name on the invoice. The name on the check was Putnam County Republican Party and the name on the invoice was Putnam County Agricultural Society. This was because the Republican Party was being reimbursed by the Committee's Restricted Fund for payment of Fair Booth Rental. The other disbursement transactions consisted of a bank service charge of \$11.00 and a charge for returned deposits in the amount of \$110.48. These amounts were electronically deducted from the Restricted Fund Bank Account. No invoice or cancelled checks were issued for these transactions.
5. We scanned the payee for each 2009 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 compared the signature on 2009 checks to the list of authorized signatories the Committee provided to us. The signatory on the check we selected was an approved signatory. We compared the endorsement to the payee listed on the check without exception.

7. We scanned each 2009 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 each disbursement listed on 2009 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 one instance where the purpose described on the invoice violated the restrictions of Ohio Rev. Code Section 3517.18. This instance consisted of an \$11.00 bank service charge for a returned deposit. This charge was subsequently credited to the restricted account by the bank in February 2010.

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 2009, 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.



**Mary Taylor, CPA**  
Auditor of State

March 8, 2010







Mary Taylor, CPA  
Auditor of State

REPUBLICAN PARTY

PUTNAM 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  
MARCH 25, 2010