



Dave Yost • Auditor of State



DEMOCRATIC PARTY  
DEFIANCE COUNTY

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# Dave Yost • Auditor of State

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

Secretary of State of Ohio  
Democratic Executive Committee  
406 North Bryan Street  
Hicksville, Ohio 43526-1049

We have performed the procedures enumerated below, to which the Defiance County 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, 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. 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 2010. The Committee did not file the required Form 31-CC, rather they filed the *Statement of Contributions Received* (Form 31-A). We footed each Form 31-A 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-A 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 three quarterly payments received from the State Tax Commissioner pursuant to Ohio Rev. Code 3517.17(A). The fourth quarterly payment of \$2.60 was not received by the Committee. The Committee should request reissuance of this warrant from the Office of Budget and Management.
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.

### **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.
2. We agreed the bank balance on the reconciliation to the bank statement balance as of December 31, 2010. 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 2010. The Committee did not file the required Form 31-M, rather they filed the Statement of Expenditures (Form 31-B). We footed the Form 31-B filed for 2010. We noted no computational errors.
2. Per Ohio Rev. Code 3517.13(X)(1), we scanned Form 31-B 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 on checks or other disbursements reflected in 2010 restricted fund bank statements to disbursement amounts reported on Form 31-B filed for 2010. We found no discrepancies.
4. For each disbursement on Form 31-B filed for 2010, we attempted traced the payee and amount to payee invoices and to the payee's name on canceled checks. The payee and amount recorded on Form 31-B agreed to the payee and amount on the canceled check and invoice for one recorded disbursement. The other disbursement transaction on Form 31-B filed for 2010 was a bank service charge of \$7, which was an electronic debit charge on the Committee's restricted fund bank statement. No check was issued for this disbursement transaction.
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 compared the signature on the 2010 check 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 2010 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.
8. We compared the purpose of each disbursement listed on 2010 Form 31-B 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 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 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".

**Dave Yost**  
Auditor of State

February 23, 2011

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# Dave Yost • Auditor of State

DEFIANCE COUNTY DEMOCRATIC PARTY

DEFIANCE 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 15, 2011