



Dave Yost • Auditor of State



REPUBLICAN PARTY  
GALLIA COUNTY

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

Secretary of State of Ohio  
Republican Party Executive Committee  
Gallia County  
148 Lila Drive  
Gallipolis, Ohio 45631

We have performed the procedures enumerated below, to which the Republican Party Executive Committee, Gallia 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. Management informed us they received no such gifts except that an anonymous cash donation in the amount of \$300 was received for one month headquarters/utilities, which was first deposited into the income tax account and subsequently moved to the Executive Committee general account. Headquarters/utilities were paid out of the income tax account. Per Ohio Rev. Code Section 3517.1012(A)(2), parties must deposit gifts restricted to operations into the same fund into which they deposit "checkoff" amounts received from the tax commissions. As a result, we recommend the Executive Committee review this activity to determine if the \$300 anonymous donation should be returned and deposited into the income tax account.
2. The activity for the *Statement of Political Party Restricted Fund Deposits* Ohio Rev. Code Section 3517.17 requires (Deposit Form 31-CC) was recorded on the *Statement of Contributions Received* (Deposit Form 31-A) or *Statement of Other Income* (Deposit Form 31-A-2), filed for 2010. We footed each *Statement of Contributions Received* (Deposit Form 31-A) and *Statement of Other Income* (Deposit Form 31-A-2) 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 Form 31-A and Deposit Form 31-A-2 filed for 2010. The bank deposit amounts agreed to the deposits recorded in the Form.

### **Cash Receipts (Continued)**

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-A and 31-A-2 reported the sum of these four payments without exception. In addition, Deposit Form 31-A reported a cash donation in the amount of \$300 and a reimbursement from American Electric Power in the amount of \$45.86. Also, Deposit Form 31-A-2 reported a receipt for a prior year correction in the amount of \$659.61.
5. We scanned the Ohio Campaign Finance Reports and fund bank statements 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.
3. There were no reconciling items appearing on the reconciliation as of December 31, 2010.

### **Cash Disbursements**

1. The activity for the *Statement of Political Party Restricted Fund Disbursements* Ohio Rev. Code Section 3517.17 requires (Disbursement Form 31-M), was recorded on the *Statement of Expenditures* (Disbursement Form 31-B) filed for 2010. We footed the *Statement of Expenditures* (Disbursement Form 31-B) filed for 2010. We noted no computational errors.
2. Per Ohio Rev. Code 3517.13(X)(1), we scanned Disbursement 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 two disbursements from the income tax account to the Executive Committee general account. One was to reimburse the Executive Committee general account for an electric deposit which was paid from the Executive Committee general account. The other was to move the \$300 anonymous cash donation from the income tax account to the Executive Committee general account. Headquarters/utilities were paid out of the income tax account.
3. We compared the amounts on checks or other disbursements reflected in 2010 restricted fund bank statements to disbursement amounts reported on Disbursement Form 31-B filed for 2010. We found no discrepancies.
4. For each disbursement on Disbursement Form 31-B filed for 2010, we traced the payee and amount to payee invoices and to the payee's name on canceled checks. The payees and amounts recorded on Disbursement Form 31-M agreed to the payees and amounts on the canceled checks and invoices except as follows. For check # 1002, a disbursement in the amount of \$600 to Steve Chapman for headquarters/utilities, we were not provided with an invoice.

### Cash Disbursements (Continued)

For check # 1003, a disbursement in the amount of \$16.21 to Columbus Southern Power, we were not provided with a copy of the check; however, we were provided with an American Electric Power invoice which supported the amount. Two disbursements were payments to the Gallia County Republican Party Executive Committee. One was to reimburse the Executive Committee general account for an electric deposit which was paid from the Executive Committee general account. The other was to move the \$300 anonymous cash donation from the income tax account to the Executive Committee general account.

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. There were four checks issued during 2010, of which we were provided with copies of three of the checks which were signed by the Treasurer. We were unable to compare the endorsement to the payee listed on the check because the Party did not receive a copy of the reverse side of the check.
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 except two disbursements were payments to the Gallia County Republican Party Executive Committee, as noted in item 4 above.
8. We compared the purpose of each disbursement listed on 2010 Disbursement Forms 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 provided with an invoice for check # 1002, a disbursement in the amount of \$600 to Steve Chapman for headquarters/utilities. A disbursement was made to move the \$300 anonymous cash donation from the income tax account to the Executive Committee general account.

We were not engaged to, and did not examine each *Statement of Contributions Received; Statement of Other Income; and Statement of Expenditures* 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 Party Executive Committee and is not intended to be and should not be used by anyone else.



**Dave Yost**  
Auditor of State

March 22, 2011

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# Dave Yost • Auditor of State

**GALLIA COUNTY REPUBLICAN PARTY**

**GALLIA 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  
APRIL 12, 2011**