

MONTGOMERY COUNTY DEMOCRATIC PARTY

MONTGOMERY COUNTY

**JANUARY 1, 2017 TO DECEMBER 31, 2017
AGREED-UPON PROCEDURES**



Dave Yost • Auditor of State

Executive Committee
Montgomery County Democratic Party
131 South Wilkinson Street
Dayton, OH 45402

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Montgomery County Democratic Party, prepared by Julian & Grube, Inc., for the period January 1, 2017 through December 31, 2017. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Montgomery County Democratic Party is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

May 4, 2018

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Julian & Grube, Inc.

Serving Ohio Local Governments

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Secretary of State of Ohio
Democratic Executive Committee
Montgomery County
313 Jefferson Street, Suite 102
Dayton, OH 45402

We have performed the procedures enumerated below, which were agreed to by the Democratic Executive Committee, the management of the Montgomery County Democratic Executive Committee (the Committee), the Secretary of State and the Auditor of State, on compliance requirements listed in Ohio Rev. Code Sections 3517.1012, 3517.13 (X)(1), 2(b), (3)(a), and (4), 3517.17 and 3517.18 for certain receipts, expenditures and restricted funds for the year ended December 31, 2017, included in the information provided to us by the management of the Committee. The Committee is responsible for the compliance of those requirements related to receipts, disbursements and restricted funds. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. 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. They informed us they did use this fund for all such gifts.
2. We footed each *Statement of Political Party Restricted Fund Deposits* Ohio Rev. Code 3517.17 requires (Deposit Form 31-CC), filed for 2017. We found no computational errors.
3. We compared bank deposits reflected in 2017 restricted fund bank statements to total deposits recorded in Deposit Forms 31-CC filed for 2017. The bank deposit amounts agreed to the deposits recorded in the Forms.
4. We inspected the Committee's 2017 bank statements and observed they reflected four quarterly payments received from the State Tax Commissioner pursuant to Ohio Rev. Code 3517.17(A). The Deposit Forms 31-CC reported the sum of these four payments without exception.
5. We inspected other recorded 2017 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.
6. Ohio Rev. Code 3517.1012 requires the Party to file Forms 31-CC electronically with the Secretary of State when the Committee receives gifts from corporations or labor organizations. We viewed Forms 31-CC submitted for 2017 on the Secretary of State's website.

Cash Reconciliation

1. We recomputed the mathematical accuracy of the December 31, 2017 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.

Cash Reconciliation - (Continued)

2. We agreed the bank balance on the reconciliation to the bank statement balance as of December 31, 2017. The balances agreed.
3. We agreed the reconciling item appearing on the reconciliation to the canceled check. We compared the date and amount on the canceled check to the date and amount reported on the reconciliation as of December 31, 2017. There were no exceptions.

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 2017. No exceptions were found as a result of applying the procedure.
2. Per Ohio Rev. Code 3517.13(X)(1), we scanned Disbursement Form 31-M filed for 2017 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 haphazardly selected 8 disbursement transactions and compared the amounts on checks or other disbursements reflected in 2017 restricted fund bank statements to disbursement amounts reported on Disbursement Forms 31-M filed for 2017. We found no discrepancies.
4. We haphazardly selected 8 disbursements on Disbursement Forms 31-M filed for 2017, 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.
5. We inspected the payee for each 2017 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 2017 checks to the list dated 2017 of authorized signatories the Committee provided to us. The signatory on all checks we selected was an approved signatory. We compared the endorsement to the payee listed on the check without exception.
7. We inspected each 2017 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 3517.13(X)(4) prohibits. We found no evidence of any transfers.
8. We compared the purpose of the disbursements we selected in Step 3 above listed on 2017 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 no instances where the purpose described on the invoice violated the restrictions of Ohio Rev. Code Section 3517.18.
9. Ohio Rev. Code 3517.1012 requires the Party to file Forms 31-M electronically with the Secretary of State when the Committee receives gifts from corporations or labor organizations. We viewed Forms 31-M submitted for 2017 on the Secretary of State's website.

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This agreed-upon procedures engagement was conducted in accordance with the *American Institute of Certified Public Accountants attestation standards and applicable attestation standards included in the Comptroller General of the United States' Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance requirements listed in Ohio Rev. Code Sections 3517.1012, 3517.13 (X)(1), 2(b), (3)(a), and (4), 3517.17 and 3517.18 for certain receipts, expenditures and restricted funds for the year ended December 31, 2017. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that we would have reported to you.

This report is to provide assistance in evaluation of the Committee's 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, 2017. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.
March 12, 2018

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Dave Yost • Auditor of State

MONTGOMERY COUNTY DEMOCRATIC PARTY

MONTGOMERY 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 17, 2018**