

AUGLAIZE COUNTY DEMOCRATIC PARTY

AUGLAIZE COUNTY

**JANUARY 1, 2018 TO DECEMBER 31, 2018
AGREED-UPON PROCEDURES**



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Executive Committee
Auglaize County Democratic Party
218 Eastown Drive
Apartment 215
Wapakoneta, Ohio 45895

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Auglaize County Democratic Party, Auglaize County, prepared by Julian & Grube, Inc., for the period January 1, 2018 through December 31, 2018. 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 Auglaize County Democratic Party is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

June 7, 2019

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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
Auglaize County
218 Eastown Drive
Apartment 215
Wapakoneta, OH 45895

We have performed the procedures enumerated below, which were agreed to by the Democratic Executive Committee, the management of the Auglaize 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, 2018, 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 and the Ohio State Executive Committee of the Democratic Party. Management informed us they received no such gifts.
2. We footed each *Statement of Political Party Restricted Fund Deposits* Ohio Rev. Code Section 3517.17 requires (Deposit Form 31-CC), filed for 2018. We found no computational errors.
3. We compared bank deposits reflected in 2018 restricted fund bank statements to total deposits recorded in Deposit Form 31-CC, filed for 2018. The bank deposit amounts did not agree to the deposits recorded in the Forms 31-CC; the bank statements reflected \$1.29 more than the amounts recorded on the Form.
4. We inspected the Committee's 2018 bank statements and they did not reflect four quarterly payments received from the State Tax Commissioner and the Ohio State Executive Committee of the Democratic Party pursuant to Ohio Rev. Code 3517.17(A). The bank statements did not report one payment in the amount of \$0.77. The Deposit Forms 31-CC did not report two payments in the amount of \$1.29 and \$0.77, respectively.
5. We inspected other recorded 2018 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, 2018 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, 2018. The balances agreed.
3. There were no reconciling items on the December 31, 2018 cash reconciliation.

Cash Disbursements

1. We did not foot each *Statement of Political Party Restricted Fund Disbursements* Ohio Rev. Code 3517.17 requires (Disbursement Form 31-M), as it was not filed for 2018. We footed each *Statement of Expenditures* (Form 31-B), which was filed for 2018. No exceptions were found as a result of applying the procedure, other than filing Form 31-B.

Ohio Rev. Code Section 3517.17 indicates the secretary of state shall prescribe the form for all statements required to be filed under this section. As prescribed by the Ohio Secretary of State, the Committee is required to use the *Statement of Political Party Restricted Fund Disbursements* (Deposit Form 31-M revised 3/05) to report all expenditures from the Ohio Political Party Fund.

The Committee used a receipt form, *Statement of Expenditures* (Form 31-B), to report expenditures from the Ohio Political Party. The Committee should use the latest *Statement of Political Party Restricted Fund Disbursements* form (Form 31-M) to report expenditures from the Ohio Political Party.

2. Per Ohio Rev. Code 3517.13(X)(1), we did not inspect Disbursement Form 31-M, which was not filed for 2018. We inspected *Statement of Expenditures* (Form 31-B), which was filed for 2018, 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 did not compare the amounts on checks or other disbursements reflected in 2018 restricted fund bank statements to disbursement amounts reported on Disbursement Form 31-M, which was not filed for 2018. We compared the amounts on checks or other disbursements reflected in 2018 restricted fund bank statements to disbursement amounts reported on *Statement of Expenditures* (Form 31-B), which was filed for 2018. Form 31-B did not report one payment in the amount of \$62.00. It was also noted that disbursements on the Form 31-B were paid from both the Restricted Fund and the Local Campaign Fund.

Ohio Rev. Code Section 3517.17(A)(2) states that each party treasurer receiving public moneys from the Ohio Political Party Fund shall deposit those moneys into the party's restricted fund created under section 3517.1012 of the Revised Code, shall expend and maintain those moneys subject to the requirements of that section and section 3517.18 of the Revised Code, and shall file deposit and disbursement statements as required by division (B) of section 3517.1012 of the Revised Code.

The Committee should only report disbursements from the restricted fund when reporting on disbursements of public money received from the Ohio political party fund.

Cash Disbursements - (Continued)

4. For each disbursement on Disbursement Form 31-M filed for 2018, we did not trace the payee and amount to payee invoices and to the payee's name on cancelled checks as it was not filed for 2018. We traced the payee and amount to payee invoices and to the payee's name on the canceled checks to the *Statement of Expenditures* (Form 31-B), which was filed for 2018. The payees and amounts recorded on the Disbursement Form 31-B agreed to the payees and amounts on the canceled checks and invoices, except for one check in the amount of \$62.00 to the U.S. Postal Service, for which there was no invoice provided, nor was it reported on Form 31-B.
5. We inspected the payee for each 2018 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 2018 checks to the list dated 2018 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 did not inspect each 2018 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, as it was not filed for 2018. We inspected each 2018 restricted fund disbursement recorded on *Statement of Expenditures* (Form 31-B), which was filed for 2018, 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 did not compare the purpose of each disbursement listed on 2018 Disbursement Form 31-M to the purpose listed on the vendor invoice and to the purposes Ohio Rev. Code Section 3517.18 permits as it was not filed for 2018. We did compare the purpose of each disbursement listed on the 2018 *Statement of Expenditures* (Form 31-B), which was filed for 2018, 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, except for one check, in the amount of \$62.00 to the U.S. Postal Service, for which there was no invoice provided, nor was it reported on Form 31-B.

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, 2018. 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, 2018. Accordingly, this report is not suitable for any other purpose.



Julian & Grube, Inc.
May 2, 2019

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OHIO AUDITOR OF STATE KEITH FABER



AUGLAIZE COUNTY DEMOCRATIC PARTY

AUGLAIZE 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 20, 2019**