



**Mary Taylor, CPA**  
Auditor of State





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## Auditor of State

Secretary of State of Ohio  
Democratic Executive Committee  
Tuscarawas County  
P.O. Box 524  
New Philadelphia, Ohio 44663

We have performed the procedures enumerated below, to which the 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, 2007. 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. 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 attempted to foot each *Statement of Political Party Restricted Fund Deposits* Ohio Rev. Code Section 3517.17 requires (Deposit Form 31-CC), filed for 2007. However, the *Statement of Political Party Restricted Fund Deposits* was filed for the first half of 2007 and the *Statement of Other Income Received* (Form 31-A-2) was filed for the second half of 2007. Therefore, we footed the *Statement of Political Party Deposits* for the first half of 2007 and the *Statement of Other Income Received* (Form 31-A-2) for the second half of 2007. We noted no computational errors.

Ohio Rev. Code Section 3517.17 requires a political party to deposit into its restricted fund all public moneys received from the Ohio Political Party Fund. Ohio Rev. Code Section 3517.10 (C) (6) (b) states 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 Deposits* (Form 31-CC revised 3/05) to report all receipts from the Ohio Political Party Fund.

The Committee used a *Statement of Other Income Received* (Form 31-A-2) to report receipts from the Ohio Political Party during the second half of 2007.

3. We attempted to compare bank deposits reflected in the 2007 restricted fund bank statements to total deposits recorded in the Deposit Forms 31-CC filed for 2007. However, as noted in Step 2 above, the Committee used a *Statement of Other Income Received* (Form 31-A-2) to report the

receipts from the Ohio Political Party Fund during the second half of 2007. Therefore, we compared bank deposits reflected in 2007 restricted fund bank statements to total deposits recorded in *Statement of Political Party Restricted Fund Deposits* filed for the first half of 2007 and the *Statement of Other Income Received* (Form 31-A-2) filed for the second half of 2007 instead. The bank deposit amounts agreed to the deposits recorded in the Forms.

4. We attempted to agree amounts received from the State Tax Commissioner pursuant to Ohio Rev. Code 3517.17(A), and agree them to amounts shown on Deposit Forms 31-CC filed for 2007. However, as noted in Step 2 above, the *Statement of Political Party Restricted Fund Deposits* Ohio Rev. Code Section 3517.17 requires (Deposit Form 31-CC) was not filed for the second half of 2007. We confirmed amounts received from the State Tax Commissioner pursuant to Ohio Rev. Code 3517.17(A), and agreed them to amounts shown on Deposit Forms 31-CC filed for the first half of 2007. We found no exceptions; however, the Committee did not receive the July or October second half 2007 distributions from the State Tax Commissioner. Previously, the Committee was notified by the Office of Budget and Management to complete IRS Form W-9 Request for Taxpayer Identification Number and Certification and the Vendor Information Form (OBM-3456). In order to receive the two second half 2007 payments, as well as all future payments, the Committee should complete and remit the aforementioned forms to the Office of Budget and Management. These forms can be obtained at the Office of Budget and Management website: <http://obm.ohio.gov/forms/>.
5. We scanned other recorded 2007 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, 2007 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, 2007. The balances agreed.
3. There were no reconciling items appearing on the reconciliation as of December 31, 2007.

#### **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 2007. We noted no computational errors.
2. Per Ohio Rev. Code 3517.13(X)(1), we scanned Disbursement Form 31-M filed for 2007 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 money orders or other disbursements reflected in 2007 restricted fund bank statements to disbursement amounts reported on Disbursement Forms 31-M filed for 2007. We found no discrepancies.

4. For each disbursement on Disbursement Forms 31-M filed for 2007, 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 Forms 31-M agreed to the payees and amounts on the money orders and invoices.
5. We scanned the payee for each 2007 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 attempted to compare the signature on 2007 checks to a list of authorized signatures; however, the Committee's disbursements were made by money order from a savings account. Therefore, we could not compare the signatures on the 2007 money orders to authorized signatures.
7. We scanned each 2007 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 2007 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.

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 2007, 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.



**Mary Taylor, CPA**  
Auditor of State

April 10, 2008





**Mary Taylor, CPA**  
Auditor of State

**DEMOCRATIC PARTY**

**TUSCARAWAS 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 22, 2008**