



**Auditor of State  
Betty Montgomery**



**DEMOCRAT POLITICAL PARTY  
BROWN COUNTY**

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## Auditor of State Betty Montgomery

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

Democrat Executive Committee  
Brown County  
6204 Delhi-Arheim Road  
Georgetown, Ohio 45121

To the Executive Committee:

We have performed the procedures enumerated below, which were agreed to by the Democrat Executive Committee, Brown County, Ohio (the Committee), solely to assist the Committee in evaluating its compliance with Sections 3517.17 and 3517.18 of the Ohio Revised Code for the year ended December 31, 2004. Management is responsible for the Committee's compliance with those 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 Executive 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

We confirmed the Ohio Political Party Fund receipts with the State of Ohio and agreed them to amounts shown on the Brown County Democratic Party Tax (check off fund) savings account record and related bank statements. The results of our test are as follows:

- We found one receipt listed on the State Distribution Transaction List in the amount of \$13 that was deposited to the Brown County Democratic Party Operating checking account instead of the Brown County Democratic Party Tax (check off fund) savings account. In addition, we noted that one receipt due the Brown County Democratic Party Operating checking account in the amount of \$35 was deposited into the Brown County Democratic Party Tax (check off fund) savings account. On the same day \$34 was withdrawn from the Brown County Democratic Party Tax (check off fund) savings account and paid into the Brown County Democratic Party operating checking account.
- We noted that the Democrat Party did not file their annual Ohio Campaign Finance Report by March 1<sup>st</sup> of 2004, as required by Ohio Revised Code, Section 3517.10.

We recommend the following:

- The Brown County Democratic Party should transfer \$12 from the Brown County Democratic Party operating checking account to the Brown County Democratic Party Tax (check off fund) savings account to correct the error made by depositing funds into the wrong accounts.
- The Brown County Democrat Party should file their report as required.

### **Cash Reconciliation**

We compared the cash balances recorded on the bank statements and Brown County Democratic Party Tax (check off fund) savings account record as of December 31, 2004. We recomputed the mathematical accuracy of the savings account record. .

We also agreed all reconciling items appearing on the Brown County Democratic Party Tax (check off fund) savings account record to withdrawal slips, deposit slips, and to the passbook savings account.

We found one exception, which is identified below:

Interest was not posted to the savings account. We added the amount of interest earned on the account for 2004 to balance the books with the bank.

We recommend that the financial officer reconcile the savings account book to the bank monthly and post any interest earned to the passbook savings account

### **Cash Disbursements**

We vouched disbursement/withdrawal transactions for compliance with Ohio Rev. Code Section 3517.18.

We found one exception, which is identified below:

Ohio Rev. Code, Section 3517.18, stipulates the purposes for which Ohio Political Parties' moneys may be expended. The Brown County Democratic party transferred a total of \$209 to the Brown County Democratic Party Operating checking account. We were able to obtain supporting documentation to substantiate that these funds were expended in accordance with Ohio Rev. Code, Section 3517.18.

We recommend that the Party open a checking account for the Party Tax Account (check off fund) and in the future, the Party pay for all related expenses directly from the Party Tax checking account and maintain the original invoices to support that these expenditures are allowable under 3517.18 Ohio Rev. Code. If this is not done, it could result in a finding for recovery.

### **Payroll Disbursements**

There were no personnel paid with Ohio Political Party Fund monies.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on compliance of the political party fund finance report which is attached to this report. Accordingly, we do not express such 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 Executive Committee and is not intended to be and should not be used by anyone else.



**Betty Montgomery**  
Auditor of State

June 9, 2005

**DEMOCRAT POLITICAL PARTY  
BROWN COUNTY**

**POLITICAL PARTY FUND FINANCE REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2004**

BEGINNING BALANCE, JANUARY 1, 2004		\$ 572
RECEIPTS:		
STATE DISTRIBUTION	177	
Interest	2	
Other Receipts	<u>35</u>	
TOTAL RECEIPTS		<u>214</u>
DISBURSEMENTS:		
Rental	175	
Other	<u>34</u>	
TOTAL DISBURSEMENTS		<u>209</u>
ENDING BALANCE, DECEMBER 31, 2004		<u>\$ 577</u>

(See Independent Accountants' Report on Applying Agreed-Upon Procedures.)







**Auditor of State  
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**DEMOCRATIC PARTY**

**BROWN 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  
JULY 5, 2005**