



**COSHOCTON COUNTY DEMOCRATIC PARTY
COSHOCTON COUNTY**

AGREED-UPON PROCEDURES

FOR THE YEAR ENDED DECEMBER 31, 2006



Mary Taylor, CPA
Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Secretary of State of Ohio
Democratic Executive Committee
Coshocton County
940 Orchard Street
Coshocton, Ohio 43812

We have performed the procedures enumerated below, to which the Coshocton County 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, 2006. 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 2006. However, the *Statement of Political Party Restricted Fund Deposits* Ohio Rev. Code Section 3517.17 requires (Deposit Form 31-CC) was not filed for 2006. Therefore, we footed each *Statement of Contributions Received* (Form 31-A), filed for 2006 instead. 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* (Deposit Form 31-CC revised 3/05) to report all receipts from the Ohio Political Party Fund.

The Committee used an outdated *Statement of Contributions Received* (Form 31-A) revised 2/01 to report receipts from the Ohio Political Party. The Committee should use the latest *Statement of Political Party Restricted Fund Deposits* Form (Deposit Form 31-CC revised 3/05) to report receipts from the Ohio Political Party.

Cash Receipts (Continued)

3. We attempted to compare bank deposits reflected in 2006 restricted fund bank statements to total deposits recorded in Deposit Forms 31-CC filed for 2006. 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 2006. Therefore, we compared bank deposits reflected in 2006 restricted fund bank statements to total deposits recorded in *Statement of Contributions Received* (Forms 31-A), filed for 2006 instead. The bank deposit amounts agreed to the deposits recorded in the Form.
4. We attempted to confirm 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 2006. 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 2006. Therefore, we confirmed amounts received from the State Tax Commissioner pursuant to Ohio Rev. Code 3517.17(A), and agreed them to amounts shown on *Statement of Contributions Received* (Forms 31-A), filed for 2006 instead. We found no exceptions.
5. We scanned other recorded 2006 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, 2006 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, 2006. The balances agreed. However, on November 2, 2006, \$100 was withdrawn from the general checking account with no supporting documentation. Subsequently, on December 12, 2006, \$100 was deposited into the checking account with no supporting documentation. This activity was not included on the Political Party Public Funds Report. Documentation should be maintained for all deposits and withdrawals.
3. We agreed reconciling items appearing on the reconciliation to canceled checks and deposit slips. We determined that the dates and amounts on those documents support that those items were proper reconciling items and were recorded in the proper amount on the reconciliation as of December 31, 2006.

Cash Disbursements

1. We attempted to foot each *Statement of Political Party Restricted Fund Disbursements* (Form 31-M), filed for 2006. However, the *Statement of Political Party Restricted Fund Disbursements* Ohio Rev. Code Section 3517.17 requires (Form 31-M revised 3/05) was not filed for 2006. Therefore, we footed each *Expenditures from Political Party Fund Monies* (Form 31-M revised 8/95), filed for 2006 instead. We found no computational errors.

Ohio Rev. Code Section 3517.17 states that a political party shall file disbursement statements as required by division (B) of section 3517.1012 of the Revised Code. 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. Therefore, the Committee is required to use the *Statement of Political Party Restricted Fund Disbursements* form (Form 31-M revised 3/05) for reporting expenditures.

The Committee should use the *Statement of Political Party Restricted Fund Disbursements* form (Form 31-M revised 3/05) for reporting expenditures from the restricted fund.

Cash Disbursements (Continued)

2. Per Ohio Rev. Code 3517.13(X)(1), we scanned Disbursement Form 31-M filed for 2006 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 checks or other disbursements reflected in 2006 restricted fund bank statements to disbursement amounts reported on Disbursement Forms 31-M filed for 2006. We found no discrepancies.
4. For each disbursement on Disbursement Forms 31-M filed for 2006 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 canceled checks
5. We scanned the payee for each 2006 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 2006 checks to the list 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 scanned each 2006 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 2006 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 2006, 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

August 6, 2007



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Auditor of State

DEMOCRATIC PARTY

COSHOCTON 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
OCTOBER 16, 2007**