



Mary Taylor, CPA
Auditor of State



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REPORT OF INDEPENDENT ACCOUNTANTS ON APPLYING AGREED-UPON PROCEDURES

Secretary of State of Ohio
Democratic Executive Committee
Hardin County
8132 TR 105
Kenton, Ohio 43326

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, 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. We were told they did not receive this type of gift.
2. We footed the *Statement of Contributions Received* (Form 31-A) filed for 2006. We noted no computational errors.

Ohio Rev. Code Section 3517.17 requires the Committee to use the *Statement of Political Party Restricted Fund Deposits* Form (Deposit Form 31-CC) to report all receipts from the Ohio Political Party Fund. The Committee should use the *Statement of Political Party Restricted Fund Deposits* Form (Deposit Form 31-CC) to report receipts from the Ohio Political Party.

3. We confirmed amounts received from the State Tax Commissioner pursuant to Ohio Rev. Code 3517.17(A), with the State of Ohio and agreed the amounts shown on Deposit Forms 31-A filed for 2006. We found no exceptions.

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.

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Cash Disbursements

1. We footed the *Statement of Expenditures* (Disbursement Form 31-B), filed for 2006. We found no computational errors.

Ohio Rev. Code Section 3517.17 requires the *Statement of Political Party Restricted Fund Disbursements Form* (Disbursement Form 31-M) to be used for reporting expenditures. The Committee should use the required form.

2. We compared the amounts on checks or other disbursements reflected in 2006 restricted fund bank statements to disbursement amounts reported on Disbursement Form 31-B filed for 2006. We found no errors.
3. For each disbursement on Disbursement Forms 31-B filed for 2006, we traced the payee and amount to payee's receipt and to the payee's name on canceled check. The payees and amounts recorded on Disbursement Forms 31-B agreed to the payee and amount on the receipt and canceled check.
4. We scanned the payee for each disbursement for evidence that it might represent a contribution or campaign-related disbursement, both of which Ohio Rev. Code 3517(X)(2)(b) prohibit. We found no evidence that any restricted fund disbursements represented contributions or campaign-related disbursements.
5. We compared the purpose of each disbursement listed on Disbursement Form 31-B, filed for 2006, 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.



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May 1, 2007



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DEMOCRATIC PARTY

HARDIN 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 5, 2007**