



Mary Taylor, CPA
Auditor of State

DEMOCRATIC PARTY
HENRY COUNTY

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Democratic Executive Committee
Henry County
16593 County Road R
Napoleon, Ohio 43545

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, 2008. 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 requested copies of each *Statement of Political Party Restricted Fund Deposits* Ohio Rev. Code Section 3517.17 requires (Deposit Form 31-CC), filed for 2008. The Committee did not file the required Deposit Form 31-CC, rather they filed the *Statement of Contributions Received* (Deposit Form 31A). We footed Deposit Form 31A, filed for 2008. We noted no computational errors.
3. We compared bank deposits reflected in 2008 restricted fund bank statements to total deposits recorded in Deposit Form 31A filed for 2008. The bank deposit amounts agreed to the deposits recorded in the Form.
4. We scanned the Committee's 2008 bank statements and noted they did not reflect any of four quarterly payments to be received from the State Tax Commissioner pursuant to Ohio Rev. Code 3517.17(A). The four quarterly payments in the total amount of \$160.40 were not remitted to the Committee by the Ohio Office of Budget and Management (OBM) because the Committee had never submitted an IRS Form W-9 and vendor information Form (OBM-3456-Rev. 05/007) to OBM.

We informed the Committee they should submit Form W-9 and the Vendor Information Form to OBM to ensure the Committee receives future distributions to which it is entitled. Further, we recommended the Committee seek reimbursement for the accumulated \$160.40 in unpaid 2008 distributions. We also made the Committee aware they are entitled to \$93.86 in unpaid 2007 distributions.

5. We scanned other recorded 2008 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, 2008, 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, 2008. The balances agreed.

Cash Disbursements

1. We requested copies of each *Statement of Political Party Restricted Fund Disbursements* Ohio Rev. Code, Section 3517.17, requires (Disbursement Form 31-M), filed for 2008. The Committee did not file the required Form Disbursement Form 31-M, rather they filed the *Statement of Expenditures* (Disbursement Form 31-B). We footed the Disbursement Form 31-B filed for 2008. We noted no computational errors.
2. Per Ohio Rev. Code, 3517.13(X)(1), we scanned Disbursement Form 31-B filed for 2008 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 2008 restricted fund bank statements to disbursement amounts reported on Disbursement Form 31-B filed for 2008. We found no discrepancies.
4. For each disbursement on Disbursement Form 31-B filed for 2008, we attempted to trace the payee and amount to the payee invoice and to the payee's name on the canceled check. The payee and amount recorded on Disbursement Form 31-B agreed to the payee and amount on the canceled check and invoice in one of four instances. The other three disbursement transactions consisted of bank service charges which were electronically deducted from the Restricted Fund bank account. No invoices or cancelled checks were issued for these transactions.
5. We scanned the payee for each 2008 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 the 2008 check to the list of authorized signatories the Committee provided to us. The signatory on the check was Mary Steingass, an associate of Huntington National Bank, not the signatory of the account. This is because the Restricted Fund is held in a savings account and the disbursement was made on a cashier's check. We compared the endorsement to the payee listed on the check without exception.
7. We scanned each 2008 restricted fund disbursement recorded on Form 31-B 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 2008 Disbursement Form 31-B to the purpose listed on the vendor invoice, or other documentation, and to the purposes Ohio Rev. Code Section 3517.18 permits. We found three instances where the purpose violated the restrictions of Ohio Rev. Code Section 3517.18. These instances consisted of three \$4.00 bank service charges for not maintaining a bank account balance of an adequate size.

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 2008, 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

June 3, 2009



Mary Taylor, CPA
Auditor of State

HENRY DEMOCRATIC PARTY

HENRY 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 30, 2009