



Mary Taylor, CPA
Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Treasurer State of Ohio
30 East Broad Street, 9th Floor
Columbus, Ohio 43215

We have performed the procedures enumerated below, to which the Treasurer of State has agreed, to comply with Ohio Revised Code section 113.19 (A) to audit the state treasury and the custodial funds of the Treasurer of State as of January 6, 2009, the end of the outgoing Treasurer of State's term. We followed the American Institute of Certified Public Accountants' attestation standards for agreed-upon procedures engagements and compliance attestation. The sufficiency of the procedures is solely the responsibility of the Treasurer of State. 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.

1. CASH COUNT

We counted all cash, including petty cash, held by the Treasurer of State prior to the start of business on January 7, 2009. This count represented cash held as of the close of business on January 6, 2009. We reconciled this count to the Treasurer of State's Daily Report as of January 6, 2009, without exceptions. We also confirmed balances for the Treasurer of State's regular, consolidated check clearing, zero balance, and holding accounts with outside parties as of January 6, 2009, and found no exceptions when compared to the Treasurer of State's internal general ledger system (Bank Mate).

2. CIGARETTE STAMPS

We counted the assigned value of all cigarette stamps held by the Treasurer of State prior to the start of business on January 7, 2009. This count represented cigarette stamps held as of January 6, 2009. We reconciled the count to the Treasurer of State's accounting records and found no exceptions.

3. INVESTMENTS AND SECURITIES HELD IN TRUST

We counted all investments and other securities held in trust by the Treasurer of State prior to the start of business on January 7, 2009. This count represented holdings of the Treasurer of State as of the close of business on January 6, 2009. We reconciled these amounts with the Treasurer of State's accounting records and found no exceptions.

4. INVESTMENTS

We confirmed a sample of investments, which qualify as "State Funds" per the Treasurer of State's Daily Report as of January 6, 2009, with outside parties. We compared the values of the investments confirmed to the values recorded on the Treasurer of State's Daily Report.

We reconciled the regular and structured interim deposits and special purpose investments from the Treasurer of State's Daily Report as of January 6, 2009, to the Treasurer of State's internal investment tracking system (QED). The total of these investments was \$10,618,487,254.90.

4. INVESTMENTS (Continued)

We then confirmed the following regular and structured interim deposits with outside parties: regular investment account, treasury account, structured investment account, Star Ohio investment accounts, and money market accounts. We also confirmed the following special purpose investments: the FFCB Bond, a sample of the Bid-Ohio, Small Business Linked, and Agri-Linked Deposits with outside parties. We compared the values of each item to the value recorded in QED. The total of all investment types confirmed was \$4,938,209,263.95 or 46.5% of total investments

For items 4A-D below, we did not investigate variances that were less than \$100.

- A. We confirmed the regular investment account (fund 300), the treasury account (fund 304), the structured investment account (fund 302), the FFCB Bond, all Star Ohio investment accounts, and all money market accounts with outside parties. The total of all 63 accounts is \$4,268,478,050.07.

We noted no variance, except as indicated below, when comparing to the Treasurer of State's QED system:

Financial Institution	Account Number(s)	Variance
<i>STAROhio Investment Accounts:</i>		
Lottery Gross Revenue Account	10421	(\$0.27)
Ohio State School for the Blind	11026	(\$0.01)
ODNR Reclamation	13933	\$0.01
Development Enterprise Bond Fund 1A	21238	\$37.09
Student Tuition Recovery Fund	22960	(\$0.01)
Petroleum Underground Storage Tank Finance Assurance Fund	22988 46772	(\$0.01) (\$31.09)
Economic Development Bond Service Fund	20348	\$0.01
STAROhio Lottery - Short Term	27044	\$0.01
ODNR Wildlife Habitat Fund	27625	\$20.13
OBA- Parking Commission Escrow Account	36096	\$0.01
Southern Ohio Agriculture & Community Development Foundation	59297	\$0.01
Tobacco Use Prevention & Control Foundation	59306	(\$0.01)
OCS Investment Account (SETS)	63515	(\$1.30)
TOS Bond Clearance- Arbitrage Compliance	68451	(\$0.01)
TOS Sinking Fund- Natural Resources	68497	\$0.01
PUCO – Wireless 911 Government Assistance	68624	\$0.01
Treasurer Custodial Contingency Account	70488	(\$0.51)
Third Frontier R&D	70806	(\$0.01)
Buckeye Tobacco Fund - BOR	71106	(\$0.01)
<i>Money Market Accounts:</i>		
The Reserve	83001836	\$11,909.54**
TOTAL		\$11,933.59

** The Treasurer of State adjusted their accounting records to reflect the proper amount on 1/16/09. We reviewed the supporting documentation to verify the records were properly adjusted.

- B. We confirmed 24 (\$81,700,000) Bid-Ohio certificates of deposit out of 118 (\$293,200,000) with outside parties and noted no variances. We also made several attempts to confirm PNC Bank account # BPNOYF3K1 (\$5,000,000), but the bank did not respond.

4. INVESTMENTS (Continued)

C. We confirmed a sample of 60 (\$20,547,546.83) Small Business Linked certificates of deposit out of 1,621 (\$323,726,415.55) with outside parties. We noted no variance, except as indicated below, when comparing to the Treasurer of State's QED system:

Financial Institution	Account Number(s)	Variance
Advantage Bank	9153046043	(\$0.56)
	9153043880	(\$37.60)
	9153047408	(\$43.99)
	9153040561	\$0.07
American Savings Bank	01-80-064072	(\$2.03)
Citizens Savings Bank	1400079021	(\$0.19)
Fifth Third Bank	002-0571868348	(\$30.87)
	20567543049	\$3.34
First Citizens National Bank	327954	\$55.52
First Federal Bank of the Midwest	40010049779	(\$77.26)
	40010043616	\$53.74
	40180016442	(\$36.98)
	40010043707	(\$24.05)
Liberty National Bank	601000904	(\$33.29)
TOTAL		(\$192.42)

D. We confirmed a sample of 25 (\$35,725,589.39) Agri-Linked certificates of deposits out of 91 (\$52,804,798.33). We noted no variance, except as indicated below, when comparing to the Treasurer of State's QED system:

Financial Institution	Account Number(s)	Variance
Advantage Bank	5321011430	(\$30.16)
Commercial Savings Bank	170013482	(\$15.82)
Liberty National Bank	205013269	(\$25.49)
North Valley Bank	153693	(\$23.55)
Security NB & Trust	1201500108989	(\$60.44)
Union Bank Company	19191029	(\$78.16)
TOTAL		(\$233.62)

5. CUSTODIAL ACCOUNTS

We confirmed all custodial fund bank deposits with outside parties as of January 6, 2009 which totaled \$265,466,995.66. We noted one variance where the bank confirmed the account was \$29.96 greater than what was recorded in the Treasurer of State's accounting records. Due to the variance being less than \$100, we did not investigate further.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the state treasury and the custodial funds of the Treasurer of State as of January 6, 2009. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This letter is intended solely for the information and use of the Treasurer of State of Ohio and is not intended to be and should not be used by anyone else.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

June 29, 2009



Mary Taylor, CPA
Auditor of State

TREASURER OF STATE OF OHIO

FRANKLIN 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 16, 2009