



Dave Yost • Auditor of State

REPUBLICAN POLITICAL PARTY
MADISON COUNTY

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Secretary of State of Ohio
Republican Executive Committee
Madison County
8505 Glen View Drive
Plain City, OH 43064

We have performed the procedures enumerated below, to which the Republican 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, 2012. 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 and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. 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 did use this fund for all such gifts.
2. We footed each *Statement of Political Party Restricted Fund Deposits* Ohio Rev. Code Section 3517.17 requires (Deposit Form 31-CC), filed for 2012. We noted no computational errors.
3. We compared bank deposits reflected in 2012 restricted fund bank statements to total deposits recorded in Deposit Forms 31-CC filed for 2012. The bank deposit amounts agreed to the deposits recorded in the Forms.
4. We scanned the Committee's 2012 bank statements and noted they reflected four quarterly payments received from the State Tax Commissioner pursuant to Ohio Rev. Code 3517.17(A). The Deposit Forms 31-CC reported the sum of these four payments without exception.
5. We scanned other recorded 2012 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.
6. Ohio Rev. Code 3517.1012 requires the Party to file Forms 31-CC electronically with the Secretary of State when the Committee receives gifts from corporations or labor organizations. We viewed Forms 31-CC submitted for 2012 on the Secretary of State's website.

Cash Reconciliation

1. We recomputed the mathematical accuracy of the December 31, 2012 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, 2012. The balances agreed.

Cash Disbursements

1. The Committee did not file the required Form 31-M as required by Ohio Rev. Code Sections 3517.18 and 3517.1012; rather they filed the *Statement of Expenditures* (Form 31-B). We footed each *Statement of Expenditures* filed for 2012. We noted no computational errors.

Ohio Rev. Code Section 3517.1012(B) states, in part, that a county political party shall file deposit and disbursement statements, in the same manner as the party is required to file statements of contributions and expenditures under section 3517.10 of the Revised Code, regarding all deposits made into, and all disbursements made from, the party's restricted 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 Disbursements* (Disbursement Form 31-M) to report all disbursements from the Ohio Political Party Fund. This form should be used to file future annual reports.

2. Per Ohio Rev. Code 3517.13(X)(1), we scanned Disbursement Forms 31-B filed for 2012 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 the checks or other disbursements reflected in the 2012 restricted fund bank statements to disbursement amounts reported on Disbursement Forms 31-B filed for 2012. We found no discrepancies.
4. For each disbursement on Disbursement Forms 31-B filed for 2012, we traced the payee and amount to payee invoice and to the payee's name on the cashier's checks. The payee and amount recorded on Disbursement Forms 31-B agreed to the payee and amount on the cashier's checks and invoices.
5. We scanned the payee for each 2012 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 the restricted fund disbursements represented a contribution or campaign-related disbursements.
6. All expenses from the Committee's restricted fund were paid using cashier's checks issued from the Committee's financial institution. Therefore, there was no check signature to confirm to a list of authorized signatories.
7. We scanned each 2012 restricted fund disbursement recorded on Forms 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 such a transfer.

Cash Disbursements (Continued)

8. We compared the purpose of each disbursement listed on 2012 Disbursement Forms 31-B 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.
9. Ohio Rev. Code 3517.1012 requires the Party to file Forms 31-B electronically with the Secretary of State when the Committee receives gifts from corporations or labor organizations. We viewed Forms 31-M submitted for 2012 on the Secretary of State's website.

We were not engaged to, and did not examine each *Statement of Political Party Restricted Fund Deposits* and *Statement of Expenditures* filed for 2012, 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 Republican Executive Committee and is not intended to be and should not be used by anyone else.



Dave Yost
Auditor of State

March 15, 2013

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MADISON COUNTY REPUBLICAN PARTY

MADISON 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
APRIL 11, 2013**