



# Balestra, Harr & Scherer, CPAs, Inc.

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Accounting, Auditing and Consulting Services for Federal, State and Local Governments

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Republican Party  
Ross County  
Agreed-Upon Procedures  
For the Year Ended December 31, 2013





# Dave Yost • Auditor of State

Executive Committee  
Ross County Republican Party  
129 East Main Street  
Chillicothe, Ohio 45601

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Ross County Republican Party, Ross County, prepared by Balestra, Harr & Scherer, CPAs, Inc., for the period January 1, 2013 through December 31, 2013. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Ross County Republican Party is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

June 9, 2014

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## Independent Accountants' Report on Applying Agreed-Upon Procedures

May 19, 2014

Secretary of State of Ohio  
Republican Executive Committee  
Ross County  
129 East Main Street  
Chillicothe, Ohio 45601

We have performed the procedures enumerated below, with 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, 2013. The Committee is responsible for complying with these requirements. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards 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 received no such gifts.
2. We were unable to foot a *Statement of Political Party Restricted Fund Deposits* Ohio Rev. Code Section 3517.17 requires (Deposit Form 31-CC), for 2013. The Committee did not file the required Form 31-CC; they only filed the *Ohio Campaign Finance Report* Form 30-A. Therefore, we footed each Form 30-A filed for 2013. We noted no computational errors.

Ohio Rev. Code Section 3517.17 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* (Form 31-CC) to report all receipts from the Ohio Political Party Fund.

3. We compared bank deposits reflected in 2013 restricted fund bank statements to total deposits recorded in Forms 30-A filed for 2013. The bank deposit amounts did not agree to the deposits recorded in the Form. The Form reported only one receipt in the amount of \$95. The bank reported three receipts totaling \$190.

- We scanned the Committee's 2013 bank statements and noted they did not reflect four quarterly payments received from the State Tax Commissioner pursuant to Ohio Rev. Code 3517.17(A). The bank statement did not reflect the fourth quarterly payment in the amount of \$3. The Campaign Finance Report 30-A did not reflect three quarterly payments in the amounts of \$4, \$89, and \$3. The fourth quarterly payment was voided by OBM due to age.
- We scanned other recorded 2013 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

- We attempted to agree the bank balance on the reconciliation to the bank statement and recomputed the mathematical accuracy of the December 31, 2013 reconciliation for the bank account used for receipts and disbursements restricted pursuant to Ohio Rev. Code Section 3517.1012(A); however, the Committee does not perform and maintain formal bank account reconciliations. Therefore we compared the Campaign Finance Report (Form 30-A) to the bank statements. The differences are as follows:

	Per Campaign Finance Reports	Per Bank Statements	Difference
Beginning Balance	\$342	\$305	\$37
Receipts	95	190	(95)
Disbursements	16	6	(10)
Ending Balance	\$421	\$489	\$(68)

Per the table above, when we compared the Campaign Finance Reports to the bank statements, we noted a \$37 overstatement in the beginning balance; \$95 understatement in receipts due to two of the quarterly payments from the State Tax Commissioner not being included; \$10 overstatement in disbursements due to including more bank service charges than actually occurred; these misstatement resulted in a \$68 understatement to the ending balance reported in the Campaign Finance Report. We recommend the Committee prepare formal bank reconciliations to ensure the completeness and accuracy of all transactions and to facilitate accurate reporting.

### Cash Disbursements

- We were unable to foot a *Statement of Political Party Restricted Fund Disbursements* Ohio Rev. Code Section 3517.17 requires (Disbursement Form 31-M), for 2013. The Committee did not file the required Form 31-M, they only filed the *Ohio Campaign Finance Report* Form 30-A. Therefore, we footed each Form 30-A filed for 2013. We noted no computational errors.

Ohio Rev. Code Section 3517.17 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 Disbursement* (Form 31-M) to report all expenditures from the Ohio Political Party Fund.

- Per Ohio Rev. Code 3517.13(X)(1), we scanned the Campaign Finance Report Form 30-A filed for 2013, scanned the bank statements 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 2013 restricted fund bank statements to disbursement amounts reported on Campaign Finance Report Forms 30-A filed for 2013. We noted the Form 30-A reported five service charges for \$2 each that were not reflected on the bank statements.
4. For the disbursements on the Campaign Finance Report Forms 30-A filed for 2013, we traced the payee and amount to payee invoices. The payees and amounts recorded on Campaign Finance Report Forms 30-A agreed to the payees, but not to the amounts on the invoices. The Campaign Finance Report Forms 30-A reported \$16 in service charges, and the bank statements only reported \$6 in service charges.
5. We scanned the payee for each 2013 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 noted no checks were written in 2013 that would require an authorized signatory. All disbursements were for service charges from the financial institution.
7. We scanned each 2013 restricted fund disbursement reflected in the Campaign Finance Reports Form 30-A and bank statements for evidence that it represented a transfer from the restricted fund to any other state or county political party, which Ohio Rev. Code 3517.13(X)(4) prohibits. We found no evidence of any transfers.
8. We compared the purpose of each disbursement listed on the 2013 Campaign Finance Reports Form 30-A and bank statements 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 2013, 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 other than these specified parties.

*Balestra, Harr & Scherer, CPAs*

Balestra, Harr, & Scherer CPAs, Inc.  
Piketon, Ohio  
May 19, 2014

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# Dave Yost • Auditor of State

**ROSS COUNTY REPUBLICAN PARTY**

**ROSS 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 19, 2014**