

**MORGAN COUNTY DEMOCRATIC PARTY**

**MORGAN COUNTY**

**JANUARY 1, 2014 TO DECEMBER 31, 2014  
AGREED UPON PROCEDURES**





# Dave Yost • Auditor of State

Executive Committee  
Morgan County Democratic Party  
13189 Rambo Road  
Crooksville, OH 43731

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Morgan County Democratic Party, Morgan County, prepared by Julian & Grube, Inc., for the period January 1, 2014 through December 31, 2014. 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 Morgan County Democratic 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

March 5, 2015

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## Julian & Grube, Inc.

*Serving Ohio Local Governments*

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### INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Secretary of State of Ohio  
Democratic Executive Committee  
Morgan County  
13189 Rambo Road  
Crooksville, OH 43731

We have performed the procedures enumerated below, with 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, 2014. 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 footed two different types of deposit statements that were filed for 2014 by the Committee; the *Statement of Contributions Received* (Deposit Form 31-A) and the *Statement of Political Party Restricted Fund Deposits* (Deposit Form 31-CC). One Form 31-CC and one Form 31-A had no total amount and could not be footed. We noted no computational errors on an additional Form 31-A.

Ohio Rev. Code Section 3517.17 requires a political party to deposit into its restricted fund all public moneys received from the Ohio Political Party Fund. Ohio Rev. Code Sections 3517.10 (C) (6) (b) indicates 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* (Deposit Form 31-CC revised 3/05) to report all receipts from the Ohio Political Party Fund.

The Committee used a *Statement of Contributions Received* (Form 31-A) to report various receipts from the Ohio Political Party 2014. The Committee should use the latest *Statement of Political Party Restricted Fund Deposits* form (Form 31-CC) to report receipts from the Ohio Political Party.

3. We compared bank deposits reflected in 2014 restricted fund bank statements to total deposits recorded in Deposit Form 31-A and the Deposit Form 31-CC filed for 2014. The bank deposit amounts agreed to the deposits recorded in the Forms 31-CC and 31-A.

### **Cash Receipts - (Continued)**

4. We scanned the Committee's 2014 bank statements and noted they did not reflect any of the four quarterly payments received from the State Tax Commissioner pursuant to Ohio Rev. Code 3517.17(A). The bank statements and additionally the Deposit Form 31-CC did not report four payments in the amounts of \$1.03, \$10.15, \$14.72 and \$.52. We additionally noted that the \$1.03 payment was inadvertently deposited into the regular account.
5. We scanned other recorded 2014 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. At December 31, 2014, there was not an account reconciliation for the bank account used for receipts and disbursements restricted pursuant to Ohio Rev. Code Section 3517.1012(A).
2. We could not agree the bank balance on the reconciliation to the bank statement balance as of December 31, 2014 because there was no bank reconciliation for the restricted account.
3. There did not appear to be any reconciling items at December 31, 2014.

### **Cash Disbursements**

1. We footed two different types of disbursement statements that were filed for 2014 by the Committee; the *Statement of Expenditures* (Disbursement Form 31-B) and the *Statement of Political Party Restricted Fund Disbursements* (Disbursement Form 31-M). We noted no computational errors.

Ohio Rev. Code Section 3517.17 indicates 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* (Deposit Form 31-M revised 3/05) to report all expenditures from the Ohio Political Party Fund.

The Committee used a *Statement of Expenditures* (Form 31-B) to report expenditures from the Ohio Political Party. The Committee should use the latest *Statement of Political Party Restricted Fund Disbursements* form (Form 31-M) to report expenditures from the Ohio Political Party.

2. Per Ohio Rev. Code 3517.13(X)(1), we scanned Disbursement Form 31-M and Form 31-B, filed for 2014, 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 and expenditures may be made. We found no evidence of prohibited transfers.
3. We compared the amounts on checks or other disbursements reflected in 2014 restricted fund bank statements to disbursement amounts reported on Disbursement Form 31-M and 31-B filed for 2014. We found no discrepancies.
4. For each disbursement on Disbursement Form 31-M and 31-B filed for 2014, we traced the payee and amount to payee invoices and to the payee's name on cancelled checks. The payees and amounts recorded on Disbursement Forms 31-M and 31-B agreed to the payees and amounts on the canceled checks and invoices.
5. We scanned the payee for each 2014 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.

**Cash Disbursements - (Continued)**

6. We compared the signature on 2014 checks to the list dated 2014 of authorized signatories the Committee provided to us. The signatory on all checks we selected was an approved signatory. We compared the endorsement to the payee listed on the check without exception.
7. We scanned each 2014 restricted fund disbursement recorded on Forms 31-M and 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 2014 Disbursement Forms 31-M and 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 invoices 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 2014, 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 Morgan County Democratic Executive Committee and is not intended to be and should not be used by anyone other than these specified parties.



Julian & Grube, Inc.  
February 20, 2015

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# Dave Yost • Auditor of State

**MORGAN DEMOCRATIC PARTY**

**MORGAN 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  
MARCH 19, 2015**