

**ATOKA COUNTY  
EMERGENCY  
MEDICAL SERVICE  
DISTRICT**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2009**

**EMS AGREED-UPON PROCEDURES**



Oklahoma State Auditor  
& Inspector

**ATOKA COUNTY EMERGENCY MEDICAL SERVICE DISTRICT  
AGREED-UPON PROCEDURES REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

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# STATE AUDITOR AND INSPECTOR

STEVE BURRAGE, CPA  
State Auditor

MICHELLE R. DAY, ESQ.  
Chief Deputy



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August 10, 2010

## TO THE BOARD OF TRUSTEES OF THE ATOKA COUNTY EMERGENCY MEDICAL SERVICE DISTRICT

Transmitted herewith is the agreed-upon procedures report for the Atoka County Emergency Medical Service District for the fiscal year ended June 30, 2009. The Office of the State Auditor and Inspector is committed to serving the public interest by providing independent oversight and by issuing reports that serve as a management tool to the State. Our goal is to ensure a government that is accountable to the people of the State of Oklahoma.

We wish to take this opportunity to express our appreciation for the assistance and cooperation extended to our office during the course of our engagement.

Sincerely,

A handwritten signature in blue ink that reads "Michelle R. Day".

MICHELLE R. DAY, ESQ.  
DEPUTY STATE AUDITOR & INSPECTOR

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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

TO THE BOARD OF TRUSTEES OF THE  
ATOKA COUNTY EMERGENCY MEDICAL SERVICE DISTRICT

We have performed the procedures enumerated below, which were agreed to by management of the Atoka County Emergency Medical Service District (the District), solely to assist you in evaluating the receipt and disbursement process, the safeguarding of capital assets, and in determining whether selected receipts and disbursements are supported by underlying records for fiscal year ended June 30, 2009. This agreed-upon procedures engagement was conducted in accordance with standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America. The sufficiency of these procedures is solely the responsibility of the specified parties in this report. 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. We observed whether receipting, depositing, and reconciling functions are performed by separate employees.

**Finding:** The receipting, depositing, and reconciling functions are not performed by separate employees.

2. We selected ten runs from the dispatch log book in order to:
  - A. Trace to the run sheet.
  - B. Agree fee charged to fee schedule.
  - C. Trace run to billing records.
  - D. If a payment was received:
    - E. Trace receipt number from billing records to receipt.
    - F. Trace receipt to deposit slip.
    - G. Agree cash/check composition of deposits to the receipts issued.
    - H. Examine receipts to determine they are pre-numbered and issued in numerical order.
    - I. Agree date of receipts to date of deposit slip.
    - J. For any voided receipts, observe the original receipt.
  - K. If no payment was received:
    - L. Observe second billing and or list sent to collection agency if no payment was received.
    - M. Observe District Board authorization in the Board minutes if the amount was written off.

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**Finding:** With respect to applying procedure B, 3 of the 10 run sheets had the incorrect mileage billed on the computer. With respect to applying procedure D, E, F, and G, 4 of the 10 runs selected were direct deposit payments from Medicaid and Medicare and receipts were not issued. Additionally, there was a receipt issued that was not on a deposit slip but was traced to the bank statement. With respect to applying procedure H, on 2 of the 10 runs tested, receipts were not issued in numerical order.

With respect to applying the remaining procedures, there were no findings.

3. We agreed all bank reconciliations performed during the year to the financial records.

There were no findings as a result of applying the procedures.

4. We confirmed with financial institutions all cash and cash equivalent balances and investment balances as of June 30.

There were no findings as a result of applying the procedures.

5. We compared the District's cash/cash equivalents in each financial institution to the fair market value of each financial institution's pledged collateral at June 30.

There were no findings as a result of applying the procedures.

6. We traced amounts of ad valorem taxes remitted to the District's deposit slips.

There were no findings as a result of applying the procedures.

7. We observed whether receiving of goods and services, preparing claims, and issuing payments are performed by separate employees.

**Finding:** The receiving of goods and services, preparing claims, and issuing payments functions within the District's office were not performed by separate employees.

8. We selected 25 purchase orders in order to:
  - A. Agree to invoices.
  - B. Agree payee on cancelled check to vendor on invoice.
  - C. Inspect the receiving report/invoice for signature of District employee who verified goods and/or services were received.
  - D. Trace claim approval to District Board minutes.
  - E. Observe whether the expenditure was for the support, organization, operation and maintenance of the District.

**Finding:** With respect to procedures A and B, 4 of 25 purchase orders selected did not have supporting documentation attached. With respect to procedure C, 16 of 25 purchase orders

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selected, the receiving report/invoice was not signed by a District employee to verify goods and/or services were received. With respect to procedure D, 25 of 25 purchase orders selected could not be traced to the Board minutes for approval.

With respect to procedure E, there were no findings.

9. We selected five payroll checks in order to:
- A. Agree number of hours documented on the timesheet to number of hours paid.
  - B. Agree withholdings to supporting documentation.
  - C. Trace claim approval to District Board minutes.

**Finding:** With respect to applying procedure A, four of five payroll checks tested had variances noted when comparing call back amounts paid on timesheets to the payroll claim. All variances are due to rounding errors on District timesheets. With respect to applying procedure B, withholdings were unable to be verified by supporting documentation. With respect to applying procedure C, all payroll claims tested were unable to be traced to District Board minutes for approval.

10. We observed each Board member's Official Bond.

There were no findings as a result of applying the procedures.

11. We selected one payroll period in order to:
- A. Observe whether all employees prepared timesheets.
  - B. Inspect timesheets for signatures of employees and supervisors.

**Findings:**

- With respect to procedure A, one of fifteen employees for the month selected did not prepare a timesheet.
- With respect to procedure B, one of fourteen timesheets prepared for the month selected was not signed by the employee.

12. We selected five employees from the payroll records in order to:
- A. Compare leave amounts earned to the District policy for earning leave.
  - B. Compare leave balances to the District policy for limitations on leave balances.
  - C. Trace annual leave used on the employee's timesheet (or payroll claim) to the respective monthly leave balance report.

There were no findings as a result of applying these procedures.

13. We observed the publication notice of the District's Estimate of Needs. Additionally, we observed whether all schedules in the Estimate of Needs were completed and the publication notice was printed in a county-wide newspaper.



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There were no findings as a result of applying the procedures.

14. For equipment inventory we:
- A. Observed the existence of an equipment inventory list.
  - B. Observed ten items from the inventory list and visually verified existence.
  - C. Observed all ambulances on the inventory listing for existence.

There were no findings as a result of applying these procedures.

15. We selected all items requiring bids (greater than \$7,500) in order to:
- A. Observe proof of publication of bid.
  - B. Observe justification and approval of awarding the bid to a bidder other than the lowest bidder in the District Board minutes.

There were no findings as a result of applying the procedures.

16. We observed insurance policies for the existence of coverage of capital assets.

There were no findings as a result of applying the procedures.

We were not engaged to, and did not, conduct an examination or a review, the objective of which would be the expression of an opinion or limited assurance on the receipt and disbursement process, the safeguarding of capital assets, and the determination of whether selected receipts and disbursements are supported by underlying records for the District. Accordingly, we do not express such an opinion or limited assurance. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board of Trustees, Excise Board, and Legislative Officials and should not be used for any other purpose. This report is also a public document pursuant to the Oklahoma Open Records Act (51 O.S. § 24A.1 et seq.) and shall be open to any person for inspection and copying.



MICHELLE R. DAY, ESQ.  
DEPUTY STATE AUDITOR & INSPECTOR

August 10, 2010



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