

**BUFFALO
EMERGENCY
MEDICAL
SERVICE DISTRICT**

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

AGREED-UPON PROCEDURES REPORT



Oklahoma State Auditor
& Inspector

**BUFFALO 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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March 16, 2010

TO THE BOARD OF TRUSTEES OF THE BUFFALO EMERGENCY MEDICAL SERVICE DISTRICT

Transmitted herewith is the agreed-upon procedures report for the Buffalo 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 "Steve Burrage".

STEVE BURRAGE, CPA
STATE AUDITOR & INSPECTOR

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

TO THE BOARD OF TRUSTEES OF THE
BUFFALO EMERGENCY MEDICAL SERVICE DISTRICT

We have performed the procedures enumerated below, which were agreed to by management of the Buffalo Emergency Medical Service 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 the 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 were performed by separate employees.

Finding: Based on the observation of revenue collections, receipting, depositing, and reconciling functions are performed by the same employee.

2. We randomly selected 20 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. Trace receipt number from billing records to receipt.
 - E. Trace receipt to deposit slip.
 - F. Agree cash/check composition of deposits to the receipts issued.
 - G. Observe whether receipts are pre-numbered and issued in numerical order.
 - H. Agree date of receipts to date of deposit slip.
 - I. For any voided receipts, observe the original receipt.
 - J. Observe second billing and or list sent to collection agency if no payment was received.
 - K. Observe whether the amount was written off with District Board authorization in the Board minutes.

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Finding: The following exceptions were noted as a result of applying the procedures:

With respect to procedure B, one instance was noted where the fee charged was not in accordance with the fee schedule.

With respect to procedure D, receipt numbers were not posted to the billing records.

With respect to procedure J, there was no evidence of a second billing or collection attempt on past due accounts.

With respect to the other procedures applied, there were no findings.

3. We agreed receipts issued by the District to deposits made for the fiscal year.

Finding: There was \$3,326.27 in direct deposits and interest revenue that was not receipted. It was noted that 124 receipts issued were held between 3 and 33 days in the District office, prior to funds being deposited.

4. We agreed Harper County Treasurer's apportioned revenue to District records.

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

5. We observed whether receiving goods and services, preparing claims, and issuing payments were performed by separate employees.

Finding: The claims were prepared by the same employee that receives some of the goods/services and prepares and issues payments.

6. We reconciled disbursements, as reported on the District's Estimate of Needs, to debits/checks clearing the bank for the fiscal year.

Finding: A variance of \$951.85 was identified when comparing the disbursements reported on the Estimate of Needs to disbursements reported on the District's records from July 2008 through June 2009.

7. We randomly selected 20 checks in order to:
 - A. Agree to invoices.
 - B. Agree payee on cancelled check to vendor on invoice.

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- C. Observe the receiving invoice for signature of District employee verifying goods and/or services were received.
- D. Observe claim approval to District Board minutes.
- E. Select any items requiring bids in order to:
 - i. Observe proof of publication for the bid.
 - ii. Observe the lowest and best bid was accepted.
 - iii. Observe District Board approval of the bid as recorded in the minutes.

Finding: The following exceptions were noted as a result of applying the procedures:

Two exceptions were noted where invoices did not have the signature for the verification of receipt for goods and services.

With respect to applying procedures A, B, D, and E, there were no findings.

8. We observed whether expenditures exceeded appropriations in any budget category.

Finding: The audit expense category exceeded budgeted appropriations by \$418.50.

9. We observed the publication notice of the District's Estimate of Needs for the fiscal year.

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

10. We observed whether Board member's coverage for official bond was included in the District's insurance policy.

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

11. With respect to the District's policy regarding safeguarding of capital assets, we performed the following:

- A. Observe the existence of an equipment inventory list.
- B. Observe documentation of the conduct of a physical inventory.

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

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

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

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13. We obtained District Board minutes to identify items not pertinent to District operations.

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 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.



STEVE BURRAGE, CPA
STATE AUDITOR & INSPECTOR

March 1, 2010



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