

OPERATIONAL AUDIT

BUFFALO EMERGENCY MEDICAL SERVICE DISTRICT

For the period July 1, 2009 through June 30, 2012



Oklahoma State
Auditor & Inspector
Gary A. Jones, CPA, CFE

**BUFFALO EMERGENCY MEDICAL SERVICE DISTRICT
OPERATIONAL AUDIT
FOR THE PERIOD JULY 1, 2009 THROUGH JUNE 30, 2012**

This publication, issued by the Oklahoma State Auditor and Inspector's Office as authorized by Article 10, § 9C (i) of the Oklahoma Constitution and as defined by 19 O.S. § 1704.3, has not been printed, but is available on the agency's website (www.sai.ok.gov) and in the Oklahoma Department of Libraries Publications Clearinghouse Digital Collection, pursuant to 74 O.S. § 3105.B.



Oklahoma State Auditor & Inspector

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June 26, 2013

TO BUFFALO EMERGENCY MEDICAL SERVICE DISTRICT

Transmitted herewith is the audit report of Buffalo Emergency Medical Service District for the period July 1, 2009 through June 30, 2012.

The goal of the State Auditor and Inspector is to promote accountability and fiscal integrity in state and local government. Maintaining our independence as we provide this service to the taxpayers of Oklahoma is of utmost importance.

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

Sincerely,

A handwritten signature in blue ink that reads "Gary A. Jones".

GARY A. JONES, CPA, CFE
OKLAHOMA STATE AUDITOR & INSPECTOR

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BACKGROUND

Article 10, § 9C of the Oklahoma Constitution authorized the formation of emergency medical service districts and initially authorized a tax levy not to exceed three (3) mills for the purpose of providing funds for the purpose of support, organization, operation, and maintenance of district ambulance services.

Emergency medical service districts are governed by a district board of trustees. The board of trustees has the power to hire a manager and appropriate personnel, contract, organize, maintain, or otherwise operate the emergency medical services within said district and such additional powers as may be authorized by the Legislature.

The trustees must act as a board when entering into contracts or other agreements affecting the district's welfare. Thus, actions taken by the board are voted on and approved by a majority of the trustees. The board's business meetings are open to the public.

The board of any district shall have capacity to sue and be sued. Provided, however, the board shall enjoy immunity from civil suit for actions or omissions arising from the operation of the district. Such districts shall be empowered to charge fees for services, and accept gifts, funds or grants from sources other than the mill levy, which shall be used and accounted for in a like manner.

BOARD OF TRUSTEES

Wayne Rosser	Chairman of the Board
Robin Daley	Treasurer
Karen Hickman	Secretary
Margaret Long	Board Member
Cathy Earnest	Board Member

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Presentation of Collections, Disbursements, and Cash Balances of District Funds for FY 2012

Beginning Cash Balance, July 1, 2011	\$ 89,174
Beginning CD Investments Balance July 1, 2011	36,027
	<u>125,201</u>
 Collections	
Ad Valorem Tax	79,467
Intergovernmental	50,962
Charges for Services	145,260
Miscellaneous	939
Interest on CD Investments	298
Total Collections	<u>276,926</u>
 Disbursements	
Personal Services	152,341
Travel	1,451
Maintenance and Operations	60,856
Capital Outlay	32,532
Total Disbursements	<u>247,180</u>
 Ending Cash Balance, June 30, 2012	 \$ <u>154,947</u>

Source: District Estimate of Needs (presented for informational purposes)

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PURPOSE, SCOPE, AND SAMPLE METHODOLOGY

This audit was conducted in response to Article 10, § 9C (i) of the Oklahoma Constitution and as defined by 19 O.S. § 1704.3, which requires the State Auditor and Inspector's Office to audit the books and accounts of the District.

The audit period covered was July 1, 2009 through June 30, 2012.

Sample methodologies can vary and are selected based on the audit objective and whether the total population of data was available. Random sampling is the preferred method; however, we may also use haphazard sampling (a methodology that produces a representative selection for non-statistical sampling), or judgmental selection when data limitation prevents the use of the other two methods. We selected our samples in such a way that whenever possible, the samples are representative of the populations and provide sufficient evidential matter. We identified specific attributes for testing each of the samples. When appropriate, we projected our results to that population.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. This report is 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.

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Objective 1: To determine the District's collections, disbursements, and cash balances for FY 2012 were accurately presented on the Estimate of Needs.

Conclusion: With respect to the items reconciled and reviewed; the District's collections, disbursements, and cash balances for FY 2012 appear to be accurately presented on the Estimate of Needs. However, internal controls over financial reporting should be strengthened.

Methodology: To accomplish our objective, we performed the following:

- Gained an understanding of internal controls related to the process of accurately presenting the collections, disbursements, and cash balances through discussions with District personnel, observation, and review of documents.
- Reconciled collections presented on the Estimate of Needs to the deposits reflected on the bank statements of the District's operating account and the accounting records of the District.
- Reconciled warrants issued and reserves presented on the Estimate of Needs to the disbursements reflected on the bank statements of the District's operating account and the accounting records of the District.
- Reconciled the ending cash balance presented on the Estimate of Needs to the ending balance reflected on the bank statements of the District's operating account and the accounting records of the District.

Finding: Inadequate Internal Controls Over the Collection Process and Review of the Estimate of Needs

Condition: Upon inquiry of District personnel with regard to the revenue collection process, the following was noted:

- One employee opens the mail, posts payments to the patients' accounts, reconciles the billing service's summary of collections to the EMS records, prepares the deposit, and reconciles the bank statement to EMS records.
- There was no evidence of a review of bank reconciliations by an employee or Board Member independent of the bank reconciliation process.
- The reconciliation observed between the billing service records and the EMS records did not reflect the same ending balance for the patients' accounts.
- The District did not have a policy in place for writing off uncollectable debt.
- There is no evidence that the Board reviewed and ensured the accuracy of the Estimate of Needs before approving the Estimate of Needs.

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Additionally, we noted that for each year audited, the amounts reported on the Estimate of Needs could not be verified to amounts reported on the EMS accounting records and reconciled to the bank statements.

Cause of Condition: Procedures have not been designed and implemented due to the Emergency Medical Service District (the District) being unaware of a need for a review of bank reconciliations, reconciliations between EMS records and the billing service records, and the accuracy of the Estimate of Needs. Further, the District has not implemented a policy to properly maintain uncollectable accounts or segregate the duties of receipting, depositing, and reconciling collections.

Effect of Condition: The lack of a review of the reconciliations, as well as, the lack of review of the Estimate of Needs for accuracy, could result in unrecorded transactions, misstated financial reports, undetected errors, or misappropriated funds.

Recommendation: OSAI recommends the following:

- All reconciliations are reviewed for accuracy by someone other than the preparer.
- The deposit is prepared by someone other than the individual that opens the mail, prepares the receipts, and applies the payments to patients' accounts.
- The Board of Trustees reviews the Estimate of Needs for Accuracy prior to approving the Estimate of Needs.
- The Board of Trustees implements a policy to properly maintain uncollectable accounts.

Management Response: Policies have been changed to ensure that reconciliations will be checked by parties other than the preparer. All deposits will be audited internally by the Director, as well as, the patient accounts. After additional work from the Auditor was performed, it has been discovered that the person preparing our Estimate of Needs was calculating differently; now that this error has been pointed out, the Board will be more proficient in the review of the Estimate of Needs.

Criteria: Accountability and stewardship are overall goals of management in the accounting of funds. Internal controls over safeguarding of assets constitute a process, affected by an entity's governing body, management, and other personnel, designed to provide reasonable assurance regarding prevention or timely detection of unauthorized transactions and safeguarding of assets from misappropriation. To help ensure proper accounting of funds, all accounting transactions should be properly segregated and all accounting transactions should be reviewed for accuracy.

Objective 2:	To determine the District's financial operations complied with 62 O.S. § 517.4, which requires deposits with financial institutions be secured with collateral securities or instruments.
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Conclusion: With respect to the days tested, the District complied with 62 O.S. § 517.4, which requires deposits with financial institutions be secured with collateral securities or instruments. However, internal controls over pledged collateral should be strengthened.

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Methodology: To accomplish our objective, we performed the following:

- Gained an understanding of internal controls related to pledged collateral through discussions with District personnel, observation, and review of ledgers and documents.
- Selected the highest balance day for each month at all banks for the audit period to determine if the District's funds were adequately secured as required by 62 O.S. § 517.4.

Finding: Inadequate Internal Controls Over Pledged Collateral

Condition: Upon discussion with District personnel, observation, and review of documents, we noted the following concerns regarding pledged collateral:

- The District has not properly designed and implemented internal controls related to pledged collateral to monitor the daily deposits on hand for adequate pledged collateral.

Cause of Condition: Policies and procedures have not been implemented to adequately monitor pledged collateral with regard to the bank balance.

Effect of Condition: This condition could result in bank balances exceeding the FDIC limit and possible loss of District funds.

Recommendation: OSAI recommends that the Board of Trustees establish policies and procedures to adequately safeguard the deposits of the District, especially in the event that bank deposits exceed FDIC coverage of \$250,000.

Management Response: We have obtained a letter from our financial institution that ensures the security of funds on deposit, as well as, monitoring the funds. We will receive a report of the bank balance in written form at the monthly meetings of the Board.

Criteria: Accountability and stewardship are overall goals of management in the accounting of funds. An important aspect of internal controls is the safeguarding of assets. Internal controls over safeguarding of assets constitute a process, affected by an entity's governing body, management, and other personnel, designed to provide reasonable assurance regarding prevention or timely detection of unauthorized transactions and safeguarding assets from misappropriation.

Objective 3: To determine the District's financial operations complied with 19 O.S. § 1710.1A, which outlines purposes for expending District funds.

Conclusion: With respect to the items tested, the District did not comply with 19 O.S. § 1710.1A, which outlines purposes for expending District funds.

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Methodology: To accomplish our objective, we performed the following:

- Gained an understanding of internal controls related to the process of preparing claims, authorizing claims for payment, and documenting goods and services received, which included discussions with District personnel, observation, and review of documents.
- Tested compliance of the significant law, which included the following:
 - Selected a random sample of 72 expenditures (24 per year) to determine the expenditures were for the purpose of providing funds for the support, organization, operation, and maintenance of the District.

Finding: Inadequate Internal Controls and Noncompliance Over the Expenditure Process

Condition: Upon inquiry of District employees, observation of records, and testing of compliance, it was determined that controls have not been implemented to ensure adequate segregation of duties over the expenditure process of District funds due to the following:

- One employee is ordering the goods/services, recording the transactions in the accounting records, preparing the purchase orders, and preparing the checks for payment.
- There is no formal requisitioning process or policy.
- Purchase orders are not assigned prior to ordering the goods/services; rather they are prepared once the invoice is received.
- Checks are prepared prior to the Board's approval of the purchase order.
- There is no indication that goods or services were received or that orders were reviewed for accuracy.
- Two of the purchase orders tested were paid from a copy of an invoice with the incorrect date or no date on the invoice.
- One of the purchase orders tested was paid from a typed document created by the employee being paid with no additional supporting documentation.
- Five of the purchase orders tested did not agree to the invoice and/or receipt attached.

Cause of Condition: Procedures have not been designed and implemented to provide effective controls to a segregate the duties over the expenditure process. Additionally, the Board members were unaware that these expenditures were not properly documented.

Effect of Condition: These conditions could result in unrecorded transactions, misstated financial reports, undetected errors, and have resulted in noncompliance with statute.

Recommendation: OSAI recommends the District design and implement procedures to adequately segregate duties over the expenditure process. In addition we also recommend, the following key accounting functions of the expenditure process be adequately segregated:

- The employee that requisitions the goods/services be separate from the employee that orders the goods/services.

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- The purchase order is assigned and/or created before the order is placed for the goods or services.
- The employee that receives the goods or services reviews the invoice for accuracy and receipt of the goods or services.
- The employee that posts the expenditures to the accounting records be separate from the employees performing the duties stated above.

Management Response: The Board will put in place procedures that will segregate as many duties as possible without additional employees or volunteers with regard to requisitioning, purchasing, receiving, and posting expenditures.

Criteria: Title 19 O.S. § 1710.1A outlines purposes for expending District funds, which include the support, organization, operation, and maintenance of the emergency medical service district. Accountability and stewardship are overall goals of management in the accounting of funds. An important aspect of internal controls is the safeguarding of assets. Internal controls over safeguarding of assets constitute a process, affected by an entity’s governing body, management, and other personnel, designed to provide reasonable assurance regarding prevention or timely detection of unauthorized transactions and safeguarding assets from misappropriation.

Objective 4: To determine the District’s financial operations complied with 19 O.S. § 1723, which requires District purchases in excess of \$7,500 be competitively bid.

Conclusion: With respect to the items bid, the District complied with 19 O.S. § 1723, which requires purchases in excess of \$7,500 be competitively bid. However, internal controls over the bidding process should be strengthened.

Methodology: To accomplish our objective, we performed the following:

- Gained an understanding of internal controls related to the process of competitively bidding purchases in excess of \$7,500, which included discussions with District personnel, observation, and review of documents.
- Tested compliance of the significant law, which included the following:
 - Reviewed bank statements for the period, for checks issued in the amount of \$7,500 or more, to determine purchases greater than \$7,500 were competitively bid. There were two items that required a competitive bid for compliance with statutory requirements.

Finding: Inadequate Internal Controls Over the Bidding Process

Condition: Upon inquiry, observation of documents, and test of bids, we determined controls over the bidding process have not been properly implemented as follows:

- The bid packets were not always date and time stamped.

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- The bid folder did not contain the proof of publication.
- The bid folder did not contain the notification of successful bidder.
- The Board meeting minutes did not document the reason for awarding the bid to the vendor.
- The Board meeting minutes did not state that an item was not bid because it was a sole source item.

Cause of Condition: The Board members were unaware that this documentation should be maintained

Effect of Condition: This condition could result in violation of statute.

Recommendation: OSAI recommends the District implement procedures to ensure bidding is properly performed and adequate documentation of the process is maintained, including:

- Documentation of notification to the successful bidder.
- Evidence of public notice.
- Handling of unopened bids.
- Awarding bid to best bidder.
- Recording appropriate information in Board minutes.

Management Response: We will review all purchasing requirements with reference to the bidding process before any other large purchases are made.

Criteria: Effective internal controls require that management implement procedures to ensure that purchases over \$7,500 comply with 19 O.S. § 1723.

Objective 5: To determine if the District's internal controls provide reasonable assurance that payroll expenditures were accurately reported in the accounting records.

Conclusion: The District's internal controls do not provide reasonable assurance that payroll expenditures were accurately reported in the accounting records.

Methodology: To accomplish our objective, we performed the following:

- Gained an understanding of internal controls related to the payroll expenditures process, which included discussions with District personnel, observation, and review of documents.

Finding: Inadequate Internal Controls Over Payroll Expenditures

Condition: It was determined through discussion with District personnel, observation, and review of documents that controls were not implemented over the payroll process.

- The employees/volunteers do not complete a timesheet.

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- The Director prepares employees/volunteers timesheets based on entries recorded on the monthly schedule.
- The employees/volunteers do not review or sign the timesheets prepared by the Director.
- During the audit period, the District paid significant penalties for not paying payroll taxes.

Cause of Condition: Procedures have not been designed and implemented for segregation of duties over the payroll process. The previous Director was not knowledgeable of laws regarding payroll taxes.

Effect of Condition: This condition could result in inaccurate reporting of payroll expenditures.

Recommendation: OSAI recommends that management establish internal controls to provide reasonable assurance for the accurate and complete presentation of payroll expenditures in the financial records of the District. Additionally, the following documentation should be maintained:

- Employees/volunteers complete, sign, and date a timesheet for each pay period.
- The Director performs a review of each timesheet for accuracy, then signs and dates each timesheet.

Management Response: All employees will sign off on their time sheets. If a situation occurs in which an employee cannot physically be present to sign a time sheet, every effort will be made to include electronic communications for the employee to review their time sheet. The Director will also review each of the time sheets and will sign accordingly.

Furthermore, to address penalties for late payment of payroll taxes, the District has hired a local accountant to review payroll taxes and prepare the required reports to ensure the accuracy of payroll taxes and timely reporting.

Criteria: Effective internal controls include key functions within a process be adequately segregated to allow for prevention and detection of errors and abuse.

Objective 6:	To determine if the District's internal controls provide reasonable assurance that consumable inventories were accurately reported in the accounting records.
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Conclusion: The District's internal controls do not provide reasonable assurance that consumable inventory was accurately reported in the accounting records.

Methodology: To accomplish our objective, we performed the following:

- Gained an understanding of internal controls related to the consumable inventory process through discussions with District personnel, observation, and review of documents.

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Finding: Inadequate Internal Controls Over Consumable Inventory

Condition: Upon inquiry with District personnel, it was determined that controls have not been implemented with regard to the District's consumable inventory. The following weaknesses were noted:

- The District does not maintain a current consumable inventory listing.
- A physical inventory count of consumable items is not performed.
- There is no documentation maintained for the receipt of consumable items.

Cause of Condition: Procedures have not been designed and implemented to provide adequate controls with regard to consumable inventory. Supporting documentation of receipt of consumable items is not maintained.

Effect of Condition: This condition could result in loss and misappropriation of consumable inventory items.

Recommendation: OSAI recommends the District implement policies and procedures to document receipt of consumable inventory. Additionally, the District should perform a monthly inventory count of consumable items and maintain the documentation of the inventory count with the signature of the individual that performed the inventory count and the date the inventory count was performed noted on the inventory listing.

Management Response: The Director is preparing a system for tracking, restocking, maintaining, and reordering consumable items ordered. This system will utilize strict monitoring from storage, to truck, to the use of the supplies.

Criteria: An important aspect of internal controls is the safeguarding of assets. Internal controls over safeguarding of assets constitute a process affected by an entity's governing body, management, and other personnel, designed to provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of consumable inventory and safeguard assets from loss, damage, or misappropriation.

Objective 7:	To determine if the District's internal controls provide reasonable assurance that fixed assets were accurately reported in the accounting records.
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Conclusion: The District's internal controls do not provide reasonable assurance that fixed assets were accurately reported in the accounting records.

Methodology: To accomplish our objective, we performed the following:

- Gained an understanding of internal controls related to the fixed assets inventory process through discussions with District personnel, observation, and review of documents.

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Finding: Inadequate Internal Controls Over Fixed Assets

Condition: Upon inquiry of District personnel, observation, and review of documentation, it was determined that:

- The Board has not established a policy regarding accounting for fixed assets.
- The District does not perform a physical inventory count of fixed assets.
- The fixed asset listing provided to the Auditor was dated August 31, 2010, and had not been updated to reflect fixed assets purchased after that date.
- The Administrator has not been able to locate some items that appear on the fixed assets listing.

Cause of Condition: Procedures have not been designed and implemented to provide adequate controls over the fixed assets inventory.

Effect of Condition: This condition could result in loss and misappropriation of the District's assets.

Recommendation: OSAI recommends the District implement policies and procedures to account for fixed asset items. Additionally, the District should perform an annual fixed assets inventory count to ensure the District's items are in the possession of the District. The documentation of the fixed assets inventory count should be retained with the signature of the individual that performed the inventory count and the date the count was performed.

Management Response: With the information given to this service through this audit we now have a working knowledge of how a fixed assets list should function. We will perform an intensive inspection and investigation of the items listed as fixed assets along with the new items that we have acquired. We will then be able to inspect and manage all fixed assets from this point forward.

Criteria: An important aspect of internal controls is the safeguarding of assets. Internal controls over safeguarding of assets constitute a process affected by an entity's governing body, management, and other personnel, designed to provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of fixed assets inventory and safeguard assets from loss, damage, or misappropriation.

All Objectives:

The following findings are not specific to any objective, but are considered significant to all of the audit objectives.

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Finding: Inadequate District-Wide Controls

Condition: Upon inquiry with District personnel, observation, and review of documentation, it was determined that District-wide controls regarding Risk Management and Monitoring have not been designed.

Cause of Condition: Procedures have not been designed to address risks of the District.

Effect of Condition: This condition could result in unrecorded transactions, undetected errors, or misappropriations of funds.

Recommendation: OSAI recommends that the District design procedures to identify and address risks. OSAI also recommends that the District design monitoring procedures to assess the quality of performance over time. These procedures should be written policies and procedures and could be included in the District’s policies and procedures handbook.

Examples of risks and procedures to address risk management:

Risks	Procedures
Fraudulent activity	Segregation of duties
Information lost to computer crashes	Daily backups of information
Noncompliance with laws	Attend workshops
Natural disasters	Written disaster recovery plans
Board Member Turnover	Training, attending workshops, monitoring

Examples of activities and procedures to address monitoring:

Monitoring	Procedures
Communication between Board Members	Periodic meetings to address items that should be included in the handbook and to determine if the District is meeting its goals and objectives.
Annual Financial Statement	Review the financial statement of the District for accuracy and completeness.
Audit findings	Determine audit findings are corrected.
Financial status	Periodically review budgeted amounts to actual amounts and resolve unexplained variances.
Policies and procedures	Ensure employees understand expectations in meeting the goals of the District.
Following up on complaints	Determine source of complaint and course of action for resolution.
Estimate of needs	Work together to ensure this financial document is accurate and complete.

Management Response: The policy and procedure handbook will be reviewed and updated with new policies with regard to administrative duties.

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Criteria: Internal control is an integral component of an organization's management that provides reasonable assurance that the objectives of effectiveness and efficiency of operations, reliability of financial reporting and compliance with laws and regulations are being made. Internal control comprises the plans, methods, and procedures used to meet missions, goals, and objectives. Internal control also serves as the first line of defense in safeguarding assets and preventing and detecting errors and fraud. District management is responsible for designing a District-wide internal control system comprised of Risk Assessment and Monitoring for the achievement of these goals.

Risk Assessment is a component of internal control which should provide for an assessment of the risks the District faces from both internal and external sources. Once risks have been identified, they should be analyzed for their possible effect. Management then has to formulate an approach for risk management and decide upon the internal control activities required to mitigate those risks and achieve the internal control objectives.

Monitoring is a component of internal control which should assess the quality of performance over time and ensure that the findings of audits and other reviews are promptly resolved. Ongoing monitoring occurs during normal operations and includes regular management and supervisory activities, comparisons, reconciliations, and other actions people take in performing their duties. It includes ensuring that management know their responsibilities for internal control and the need to make control monitoring part of their regular operating process.

Finding: Disaster Recovery Plan

Condition: Upon inquiry with District personnel in regards to safeguarding accounting records, it was determined that the District does not have a Disaster Recovery Plan in place. However, the Director has purchased a portable hard-drive in order to back up EMS accounting records and the District is in the process of securing a safety deposit box to hold the portable hard-drive.

Cause of Condition: Procedures have not been designed or implemented for a Disaster Recovery Plan.

Effect of Condition: This condition could result in the District being unable to function in the event of a disaster.

Recommendation: OSAI recommends that the District develop a formal, written Disaster Recovery Plan to ensure the District can resume business in the event of disaster and loss to the District.

Further, according to the standards of the Information Systems Audit and Control Association (CobiT Delivery and Support 4), information services function management should ensure that a written Disaster Recovery Plan is documented and contains the following:

- Guidelines on how to use the recovery plan.
- Emergency procedures to ensure the safety of all affected staff members.
- Roles and responsibilities of information services function, vendors providing recovery services, users of services and support administrative personnel.

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- Listing of systems requiring alternatives (hardware, peripherals, and software).
- Listing of highest to lowest priority applications, required recovery times and expected performance norms.
- Various recovery scenarios from minor to loss of total capability and response to each in sufficient detail for step-by-step execution.
- Training and/or awareness of individual and group roles in continuing plan.
- Listing of contracted service providers.
- Logistical information on location of key resources, including back-up site for recovery operating system, applications, data files, operating manuals and program/system/user documentation.
- Current names, addresses, telephone/pager numbers of key personnel.
- Business resumption alternatives for all users for establishing alternative work locations once IT resources are available.

Management Response: Steps are being taken to prepare a Disaster Recovery Plan. We have already purchased a removable hard drive for files and are securing a safe offsite place for storage. We will continue to work on this plan. We are also organizing our Board minutes and storing them in a safe place.

Criteria: An important aspect of internal controls is the safeguarding of assets, which includes adequate Disaster Recovery Plans. Internal controls over safeguarding of assets constitutes a process, affected by an entity's governing body, management, and other personnel, designed to provide reasonable assurance regarding prevention in a District being unable to function in the event of a disaster.



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