



CASHION EMERGENCY MEDICAL SERVICE DISTRICT

Statutory Report

For the fiscal year ended June 30, 2020

Cindy Byrd, CPA
State Auditor & Inspector

**CASHION EMERGENCY MEDICAL SERVICE DISTRICT
STATUTORY REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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March 21, 2023

**TO THE BOARD OF DIRECTORS OF THE
CASHION EMERGENCY MEDICAL SERVICE DISTRICT**

Transmitted herewith is the audit report of Cashion Emergency Medical Service District for the fiscal year ended June 30, 2020.

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 "Cindy Byrd".

CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR

**CASHION EMERGENCY MEDICAL SERVICE DISTRICT
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Presentation of Collections, Disbursements, and Cash Balances of District Funds for FY 2020

	<u>General Fund</u>
Beginning Cash Balance, July 1	\$ 175,923
Collections	
Ad Valorem Tax	324,893
Miscellaneous	<u>149</u>
Total Collections	<u>325,042</u>
Disbursements	
Contract Payments	270,680
Maintenance and Operations	8,104
Audit Expense	<u>6,320</u>
Total Disbursements	<u>285,104</u>
Ending Cash Balance, June 30	<u>\$ 215,861</u>

Presented for informational purposes.



Cashion Emergency Medical Service District
P.O. Box 7
Cashion, Oklahoma 73016

**TO THE BOARD OF DIRECTORS OF THE
CASHION EMERGENCY MEDICAL SERVICE DISTRICT**

For the purpose of complying with 19 O.S. § 1706.1, we have performed the following procedures:

- Determined that receipts were properly deposited and accurately reported in the accounting records.
- Determined cash balances were accurately reported in the accounting records.
- Determined whether deposits and invested funds for the fiscal year ended June 30, 2020, were secured by pledged collateral.
- Determined that disbursements were properly supported, were made for purposes outlined in 19 O.S. § 1710.1 and were accurately reported in the accounting records.
- Determined that fixed assets records were properly maintained.
- Determined compliance with contract service providers.
- Determined whether the district's collections, disbursements, and cash balances for the fiscal year ended June 30, 2020 were accurately presented on the estimate of needs.

All information included in the records of the district is the representation of the Cashion Emergency Medical Service District.

Our emergency medical service district statutory engagement was limited to the procedures performed above and was less in scope than an audit performed in accordance with generally accepted auditing standards. Accordingly, we do not express an opinion on any basic financial statement of the Cashion Emergency Medical Service District.

Based on our procedures performed, we have presented our findings in the accompanying schedule.

This report is intended for the information and use of the management of the Cashion Emergency Medical Service District. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR

July 29, 2022

**CASHION EMERGENCY MEDICAL SERVICE DISTRICT
STATUTORY REPORT
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SCHEDULE OF FINDINGS AND RESPONSES

Finding 2020-001 – Lack of Internal Controls and Noncompliance Over the Collections Process (Repeat Finding)

Condition: Upon inquiry of the Cashion Emergency Medical Service District (the District) Board members and a test of all ad valorem tax deposits remitted to the District, the following weaknesses were noted: The ad valorem tax payments remitted to the District from Logan, Canadian and Kingfisher Counties, reflected the following exceptions:

- Of the \$324,893 in total ad valorem deposits, twenty-nine (29) deposits were made seven (7) days or more after the receipt date. These twenty-nine (29) deposits totaled \$309,354.

Cause of Condition: Policies and procedures have not been designed to ensure that funds are deposited daily in accordance with 62 O.S. § 517.3B.

Effect of Condition: This condition resulted in noncompliance with state statute and could result in errors and improprieties, unrecorded transactions, and misappropriation of assets.

Recommendation: The Oklahoma State Auditor and Inspector’s Office (OSAI) recommends that the District deposit all monies daily, in accordance with 62 O.S. § 517.3B.

Management Response:

Board Response: This is a repeat finding and we are aware of it. We will continue with what we have agreed are the best mitigating strategies for our open board meeting. The bank requires two (2) signatures for both checks and deposits which is a control measure put in place due to prior issues. Deposits and disbursements are handled in meetings when the parties required are available to comply with the bank requirements. The Board has discussed the findings and continues to agree that the process previously established provides the necessary controls to prevent reoccurrence of prior issues.

Auditor Response: The Oklahoma State Auditor and Inspector’s Office (OSAI) recommends that the District deposit all monies daily, in accordance with 62 O.S. § 517.3B.

Criteria: The United States Government Accountability Office’s *Standards for Internal Control in the Federal Government (2014 version)* aided in guiding our assets and conclusion. Although this publication (GAO Standards) addresses controls in the federal government, this criterion can be treated as best practices and may be applied as a framework for an internal control system for state, local, and quasi-governmental entities.

The GAO Standards 10.03 – Design of Appropriate Types of Control Activities, states in part:

Accurate and Timely Recording of Transactions

Transactions are promptly recorded to maintain their relevance and value to management in controlling operations and making decisions. This applies to the entire process or life

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cycle of a transaction or event from its initiation and authorization through its final classification in summary records. In addition, management designs control activities so that all transactions are completely and accurately recorded.

The GAO Standards – Section 2 – Objectives of an Entity - OV2.23 states in part:

Compliance Objectives

Management conducts activities in accordance with applicable laws and regulations. As part of specifying compliance objectives, the entity determines which laws and regulations apply to the entity. Management is expected to set objectives that incorporate these requirements.

Title 62 O.S. § 517.3B states in part “The treasurer of every public entity shall deposit daily, not later than the immediately next banking day, all funds and monies of whatsoever kind that shall come into the possession of the treasurer by virtue of the office ...”

O·K·L·A·H·O·M·A
S·A·I
STATE AUDITOR & INSPECTOR



Cindy Byrd, CPA | State Auditor & Inspector

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