



# CHOCTAW COUNTY AMBULANCE AUTHORITY

## Statutory Report

For the fiscal year ended June 30, 2021

**Cindy Byrd, CPA**  
State Auditor & Inspector

**CHOCTAW COUNTY AMBULANCE AUTHORITY  
STATUTORY REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

This publication, issued by the Oklahoma State Auditor and Inspector's Office as authorized by 19 O.S. § 1706.1, has not been printed, but is available on the agency's website ([www.sai.ok.gov](http://www.sai.ok.gov)) and in the Oklahoma Department of Libraries Publications Clearinghouse Digital Prairie Collection (<http://digitalprairie.ok.gov/cdm/search/collection/audits/>) pursuant to 65 O.S. § 3-114.



October 4, 2023

**TO THE BOARD OF DIRECTORS OF THE  
CHOCTAW COUNTY AMBULANCE AUTHORITY**

Transmitted herewith is the audit report of Choctaw County Ambulance Authority for the fiscal year ended June 30, 2021.

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

**CHOCTAW COUNTY AMBULANCE AUTHORITY  
STATUTORY REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**Presentation of Collections, Disbursements, and Cash Balances of District Funds for FY 2021**

	<u>General Fund</u>	<u>Sales Tax Revolving Fund</u>
Beginning Cash Balance, July 1	\$ 821,084	\$ 17,571
Collections		
Ad Valorem Tax	249,874	-
Charges for Services	834,802	-
Sales Tax Revenue	-	173,236
Reimbursements	14,171	-
Miscellaneous	44,062	-
PPP Loan 2020	157,400	-
PPP Loan 2021	224,200	-
Coronavirus Relief Fund (CRF) – CARES Act	38,852	-
County Donation	165,000	-
Sales Tax Reimbursement	171,210	-
Total Collections	<u>1,899,571</u>	<u>173,236</u>
Disbursements		
Personal Services	1,377,861	-
Reimbursement for Salaries	-	171,210
Travel	4,983	-
Maintenance and Operations	507,915	-
Total Disbursements	<u>1,890,759</u>	<u>171,210</u>
Ending District Financial Statement Balance	<u>\$ 829,896</u>	<u>\$ 19,597</u>
Reconciling Items:		
Add: Certificates of Deposit	135,000	
Add: PPP Bank Account	23,505	
Adjusted Cash Balance, June 30,	<u>\$ 988,401</u>	

*Presented for informational purposes.*

**CHOCTAW COUNTY AMBULANCE AUTHORITY  
STATUTORY REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**Sales Tax**

On June 30 2020, Choctaw County voters approved to continue a 1% sales tax upon the gross proceeds or gross receipts derived from all sales and services in Choctaw county upon which a consumer's sales tax is levied by the State of Oklahoma to be limited in duration for five (5) years and becoming effective June 1, 2020 and to expire June 30, 2025. The proceeds from this 1% sales tax shall be deposited in a cash fund account with the Choctaw county treasurer and shall be earmarked and used for the following specific area and percentage amounts: County Ambulance Authority 15%.

For the fiscal year ended June 30, 2021, the Choctaw County Ambulance Authority was allocated \$173,236 in County Sales Tax and expended \$171,210 for payroll and related salary expenses of the Authority. These funds were accounted for in the Choctaw County Clerk's records as the "1 CENT AMBULANCE" fund. The disbursement of these funds is approved by the Choctaw County Board of Commissioners.

**Paycheck Protection Program (PPP Loan) – CARES Act**

Paycheck Protection Program (PPP Loan) – CARES Act money obtained to provide up to eight (8) weeks of payroll costs including benefits. Funds can also be used to pay interest on mortgages, rent, and utilities. The loan is fully forgiven if at least 60% of the funds are used for payroll costs and the remaining funds, up to 40%, are used for interest on mortgages, rent, and utilities incurred during the 24-week period after receiving the PPP Loan. Funds were distributed by the Small Business Administration through any federally insured depository institution. The Authority received \$157,400 for the fiscal year. The loan was forgiven on November 19, 2020.

**Paycheck Protection Program (PPP Loan) – CARES Act**

Paycheck Protection Program (PPP Loan) – CARES Act money obtained to provide up to eight (8) weeks of payroll costs including benefits. Funds can also be used to pay interest on mortgages, rent, and utilities. The loan is fully forgiven if at least 60% of the funds are used for payroll costs and the remaining funds, up to 40%, are used for interest on mortgages, rent, and utilities incurred during the 24-week period after receiving the PPP Loan. Funds were distributed by the Small Business Administration through any federally insured depository institution. The Authority received \$224,200 for the fiscal year. The loan was forgiven on August 10, 2021.

**Coronavirus Aid, Relief, and Economic Security (CARES) Act**

Coronavirus Relief Fund (CRF) – CARES Act money distributed to the State of Oklahoma to provide direct federal assistance to state governments, with consideration for local governments. The State of Oklahoma allocated \$5 million of CRF to the Oklahoma Ambulance Association (OKAMA) to distribute to licensed

*Presented for informational purposes.*

**CHOCTAW COUNTY AMBULANCE AUTHORITY  
STATUTORY REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

ambulance services across the state. The funds were to be used to reimburse ambulance services for unanticipated expenses in staffing, Personal Protective Equipment (PPE), medical supplies, and lost insurance coverage due to COVID-19. The Authority received \$38,852 for the fiscal year.

*Presented for informational purposes.*



Choctaw County Ambulance Authority  
P.O. Box 567  
Hugo, Oklahoma 74743

**TO THE BOARD OF DIRECTORS OF THE  
CHOCTAW COUNTY AMBULANCE AUTHORITY**

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

- Determined charges for services were billed and collected in accordance with District Policies.
- Determined 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, 2021 were secured by pledged collateral.
- Determined disbursements were properly supported, were made for purposes outlined in 19 O.S. § 1710.1, and were accurately reported in the accounting records.
- Determined all purchases requiring bids complied with 19 O.S. § 1723 and 61 O.S. §101-139.
- Determined payroll expenditures were accurately reported in the accounting records and supporting documentation of leave records was maintained.
- Determined fixed assets records were properly maintained.
- Determined compliance with contract service providers.
- Determined whether the Authority's collections, disbursements, and cash balances for the fiscal year ended June 30, 2021 were accurately presented on the estimate of needs.

All information included in the records of the Authority is the representation of the Choctaw County Ambulance Authority .

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 Choctaw County Ambulance Authority .

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 Choctaw County Ambulance Authority . 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

June 15, 2023

**CHOCTAW COUNTY AMBULANCE AUTHORITY  
STATUTORY REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**SCHEDULE OF FINDINGS AND RESPONSES**

**Finding 2021-001 – Lack of Internal Controls Over Financial Reporting**

**Condition:** Upon inquiry of the Choctaw County Ambulance Authority (the Authority) employees and observation of the Authority's Estimate of Needs, the following weaknesses were noted:

- Four (4) certificates of deposit totaling \$135,000 were not reported on the Estimate of Needs and financial statement.
- The Paycheck Protection Program (PPP) loan bank account balance of \$23,505 was not reported on the Estimate of Needs and financial statement.

Additionally, a test of the June 30, 2021, bank reconciliations reflected the following exceptions:

- No evidence was provided of bank reconciliations being performed, reviewed, and approved for the PPP loan bank account.

**Cause of Condition:** Policies and procedures have not been designed and implemented regarding the preparation and approval of complete and accurate financial information as reported on the Estimate of Needs, financial statement, and bank reconciliations.

**Effect of Condition:** These conditions could result in an incomplete and incorrect Estimate of Needs, Financial statement, and bank reconciliations.

**Recommendation:** The Oklahoma State Auditor and Inspector's Office (OSAI) recommends management review the Estimate of Needs, financial statement, and bank reconciliations prior to submitting it to the Authority Board for approval to ensure that financial information is completely and accurately presented. Additionally, OSAI recommends the Authority design and implement policies and procedures to document the review of bank reconciliations, by the Director and Board, to ensure accuracy of financial information. Furthermore, OSAI recommends the Authority ensures all certificates of deposit and bank balances are reported on the Authority's financial statement.

**Management Response:**

**Board Response:** Upon further review of the findings the Choctaw County Ambulance Authority has now included the four (4) certificates of deposits totaling \$135,000 on the Estimate of Needs prepared by our CPA and now listed on the financial statement as a current asset that the Board of Directors will sign-off on each month.

The Paycheck Protection Program (PPP) loan bank account has been closed and will no longer be needed for reporting on the Estimate of Needs and financial statements.

All reportable findings for fiscal year 2021 have been resolved and/or corrected for future compliance.

**CHOCTAW COUNTY AMBULANCE AUTHORITY  
STATUTORY REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**Criteria:** The United States Government Accountability Office’s *Standards for Internal Control in the Federal Government* (2014 version) aided in guiding our assessments 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 – Principle 10 – Design Control Activities – 10.03 states in part:

*Accurate and timely recording of transaction*

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 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.

*Controls over information processing*

A variety of control activities are used in information processing. Examples include edit checks of data entered; accounting for transactions in numerical sequences; comparing file totals with control accounts; and controlling access to data, files, and programs.

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



**Cindy Byrd, CPA | State Auditor & Inspector**

2300 N. Lincoln Blvd., Room 123, Oklahoma City, OK 73105 | 405.521.3495 | [www.sai.ok.gov](http://www.sai.ok.gov)