



# CIMARRON COUNTY EMERGENCY MEDICAL SERVICE DISTRICT

## Statutory Report

For the fiscal year ended June 30, 2021

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

**CIMARRON COUNTY EMERGENCY MEDICAL SERVICE DISTRICT  
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.



July 17, 2023

**TO THE BOARD OF DIRECTORS OF THE  
CIMARRON COUNTY EMERGENCY MEDICAL SERVICE DISTRICT**

Transmitted herewith is the audit report of Cimarron County Emergency Medical Service District 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

**CIMARRON COUNTY EMERGENCY MEDICAL SERVICE DISTRICT  
 STATUTORY REPORT  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

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

	<b>General Fund</b>
Beginning Cash Balance, July 1	\$ 141,589
Collections	
Ad Valorem Tax	165,968
Charges for Services	41,408
Paycheck Protection Program (PPP Loan) - CARES Act	30,345
Coronavirus Relief Fund (CFR) - CARES Act	12,951
Miscellaneous	5,071
Total Collections	255,743
Disbursements	
Personal Services	173,169
Maintenance and Operations	89,264
Capital Outlay	1,728
Total Disbursements	264,161
Ending Cash Balance, June 30	\$ 133,171

*Presented for informational purposes.*

**CIMARRON COUNTY EMERGENCY MEDICAL SERVICE DISTRICT  
STATUTORY REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 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 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 District received \$12,951 for the fiscal year ended June 30, 2021.

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 District received \$30,345 and expended the total for payroll expenses for the fiscal year.



Cimarron County Emergency Medical Service District  
P.O. Box 162  
Boise City, Oklahoma 73933-0162

**TO THE BOARD OF DIRECTORS OF THE  
CIMARRON COUNTY EMERGENCY MEDICAL SERVICE DISTRICT**

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 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, 2021 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 all purchases requiring bids complied with 19 O.S. § 1723 and 61 O.S. § 101-139.
- Determined that payroll expenditures were accurately reported in the accounting records and supporting documentation of leave records was maintained.
- Determined that fixed assets records were properly maintained.
- Determined whether the District'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 District is the representation of the Cimarron County 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 Cimarron County 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 Cimarron County 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

March 15, 2023

**CIMARRON COUNTY EMERGENCY MEDICAL SERVICE DISTRICT  
STATUTORY REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**SCHEDULE OF FINDINGS AND RESPONSES**

**Finding 2021-002 – Lack of Internal Controls Over the Billing Process (Repeat Finding)**

**Condition:** Upon inquiry of Cimarron County Emergency Medical Service District (the District) employees, observation of the billing process and a test of thirty (30) ambulance service runs, the following exceptions were noted:

- In five (5) instances, the fee charged by the third-party billing company did not agree to the fee calculated based upon the fees approved by the Board.
- In five (5) instances, the District did not complete the Patient Care Report (PCR) in a timely manner; therefore, the amount billed was not collectable due to the District not adhering to their Employee Orientation Policy which requires PCRs to be completed within thirty (30) days of the incident.
- In three (3) instances, the District had not completed the PCR, thus the third-party billing company could not complete the billing process.

**Cause of Condition:** The District has not completely designed and implemented policies and procedures to ensure the patient accounts are billed according to the fees approved by the Board and PCRs are completed timely for the third-party billing company to file ambulance service run charges for prompt payment.

**Effect of Condition:** These conditions resulted in the loss of revenue and could result in unrecorded transactions, misstated financial reports, undetected errors, or the misappropriation of funds .

**Recommendation:** The Oklahoma State Auditor and Inspector’s Office (OSAI) recommends the District design and implement policies and procedures to ensure patients are billed according to the fees approved by the Board. Additionally, OSAI recommends the District design and implement policies and procedures to ensure PCRs are completed timely for the third-party billing company to file ambulance service run charges with insurance companies and patients to reduce the loss of revenue.

**Management Response:**

**Chairman of the Board:** The Board did not respond to this finding.

**Auditor Response:** OSAI has made multiple attempts to obtain a formal response; however, the Board chose not to respond to this repeat finding.

**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 quasigovernmental entities.

**CIMARRON COUNTY EMERGENCY MEDICAL SERVICE DISTRICT  
STATUTORY REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

The GAO Standards – Principle 10 – Design Control Activities – 10.03 states in part:

*Design of Appropriate Types of Control Activities*

Appropriate documentation of transactions and internal control Management clearly documents internal control and all transactions and other significant events in a manner that allows the documentation to be readily available for examination. The documentation may appear in management directives, administrative policies, or operating manuals, in either paper or electronic form. Documentation and records are properly managed and maintained.

**Finding 2021-003 – Lack of Internal Controls and Noncompliance Over the Collections Process**

**Condition:** Upon inquiry of District employees, observation of records, and a test of eleven (11) ad valorem tax deposits, the following weaknesses were noted:

- In ten (10) instances, ad valorem tax deposits totaling \$48,872 were deposited seven (7) or more business days after being issued by Cimarron County.

**Cause of Condition:** The Board has not designed and implemented policies and procedures to ensure ad valorem tax collections are deposited timely.

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

**Recommendation:** OSAI recommends the District design and implement policies and procedures to deposit collections daily as required by 62 O.S. § 517.3 B.

**Management Response:**

**Chairman of the Board:** The Board did not respond to this finding.

**Auditor Response:** OSAI has made multiple attempts to obtain a formal response; however, the Board chose not to respond to this finding.

**Criteria:** 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.

**CIMARRON COUNTY EMERGENCY MEDICAL SERVICE DISTRICT  
STATUTORY REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

Title 62 O.S. § 517.3 B 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 ...”

**Finding 2021-004 – Lack of Internal Controls Over the Disbursement Process**

**Condition:** Upon inquiry of District employees, observation of the disbursement process, and a test of thirty (30) disbursements, the following weaknesses were noted:

- In eight (8) instances, there was no evidence of a receiving verification of goods and/or services.
- In two (2) instances, adequate supporting documentation could not be located.
- In one (1) instance, the purchase order was not signed by a majority of the Board.

**Cause of Condition:** The District has not designed and implemented policies and procedures to ensure all purchase orders were supported with adequate documentation, the verification of goods and/or services received was documented, and all disbursements were approved by the Board and documented in the Board minutes.

**Effect of Condition:** These conditions could result in unrecorded transactions, misstated financial reports, clerical errors or misappropriation of funds not being detected in a timely manner.

**Recommendation:** OSAI recommends the District design and implement policies and procedures to ensure purchases are supported with adequate documentation, the verification of goods and/or services received is documented, and all disbursements are approved by the Board and documented in Board minutes.

**Management Response:**

**Chairman of the Board:** The Board did not respond to this finding.

**Auditor Response:** OSAI has made multiple attempts to obtain a formal response; however, the Board chose not to respond to this finding.

**Criteria:** The GAO Standards – Principle 10 – Design Control Activities – 10.03 states in part:

*Policies & Procedures, Bylaws*

Management clearly documents internal control and all transactions and other significant events in a manner that allows the documentation to be readily available for examination. The documentation may appear in management directives, administrative policies, or operating manuals, in either paper or electronic form. Documentation and records are properly managed and maintained.

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)