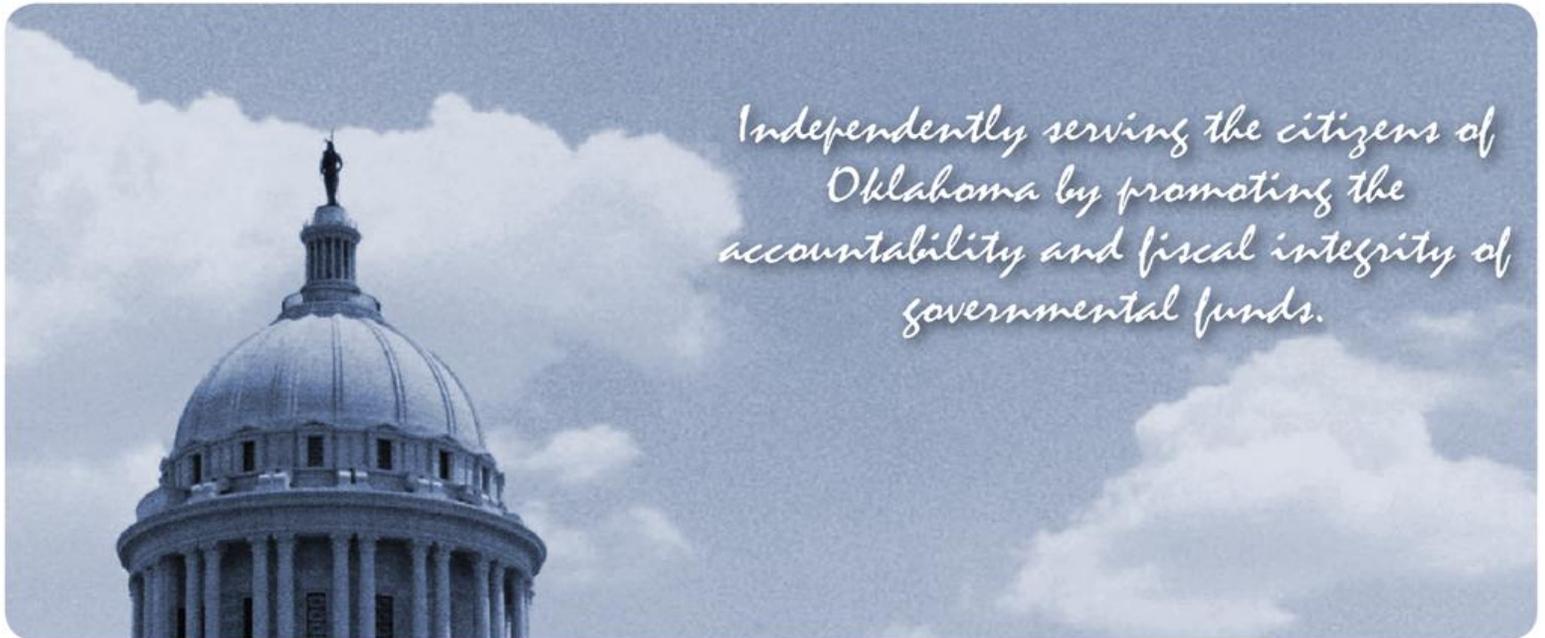


STATUTORY AUDIT

CIMARRON COUNTY EMERGENCY MEDICAL SERVICE DISTRICT

For the period July 1, 2011 through June 30, 2013



*Independently serving the citizens of
Oklahoma by promoting the
accountability and fiscal integrity of
governmental funds.*



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

**CIMARRON COUNTY EMERGENCY MEDICAL SERVICE DISTRICT
STATUTORY REPORT
FOR THE PERIOD JULY 1, 2011 THROUGH JUNE 30, 2013**

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Oklahoma State Auditor & Inspector

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July 18, 2014

**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 period July 1, 2011 through June 30, 2013.

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, appearing to read "Gary A. Jones".

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

**CIMARRON COUNTY EMERGENCY MEDICAL SERVICE DISTRICT
 STATUTORY REPORT
 JULY 1, 2011 Through JUNE 30, 2013**

Presentation of Collections, Disbursements, and Cash Balances of District Funds for FY 2012 and FY 2013

	<u>FY 2012</u>	<u>FY 2013</u>
Beginning Cash Balance, July 1	<u>\$ 248,302</u>	<u>\$ 246,627</u>
Collections		
Ad Valorem Tax	100,514	100,464
Charges for Services	54,917	42,408
Intergovernmental	1,781	1,873
Miscellaneous	<u>2,816</u>	<u>1,540</u>
Total Collections	<u>160,028</u>	<u>146,285</u>
Disbursements		
Personal Services	97,797	98,569
Travel	797	2,464
Maintenance and Operations	52,934	46,721
Capital Outlay	2,055	4,140
Audit Expense	<u>8,120</u>	<u>151,894</u>
Total Disbursements	<u>161,703</u>	<u>151,894</u>
Ending Cash Balance, June 30	<u>\$ 246,627</u>	<u>\$ 241,018</u>

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



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Cimarron County Emergency Medical Service District
PO Box 367
Boise City, Oklahoma 73933

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 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 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.
- 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 FY 2012 and FY 2013 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 District Service.

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.

A handwritten signature in blue ink, appearing to read "Gary A. Jones". The signature is fluid and cursive, with a long horizontal stroke at the end.

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

May 15, 2014

**CIMARRON EMERGENCY MEDICAL SERVICE DISTRICT
STATUTORY REPORT
FOR THE PERIOD JULY 1, 2011 THROUGH JUNE 30, 2013**

SCHEDULE OF FINDINGS AND RESPONSES

Finding: 2013-1 Inadequate Internal Controls Over the Collections Process (Repeat Finding)

Condition: Upon inquiry and observation of the District's collection process, we determined that one individual, the Administrator, is responsible for the duties of receipting collections, making deposits, and reconciling accounting records to patient accounts receivable. These duties are not adequately segregated.

Cause of Condition: Procedures have not been designed and implemented with regard to segregating the duties over all aspects of the receipting process and cash balances process.

Effect of Condition: A single person having responsibility for more than one area of recording, authorization, custody of assets, and execution of transactions could result in unrecorded transactions, misstated financial reports, clerical errors, or misappropriation of funds not being detected in a timely manner.

Recommendation: The Oklahoma State Auditor and Inspector's Office (OSAI) recommends management be aware of these conditions and realize that a concentration of duties and responsibilities in a limited number of individuals is not desired from a control point of view.

Management Response: The new Administrator is working toward the design and implementation of review processes over collections to enhance internal controls that will help identify errors in a timely manner.

Criteria: Accountability and stewardship are overall goals of management in accounting of funds. To help ensure a proper accounting of funds, the duties of receiving, receipting, recording, depositing cash and checks, reconciliations, and transaction authorization should be segregated.

Finding: 2013-2 Inadequate Internal Controls Over Run Sheets

Condition: The audit of fifty ambulance run sheets submitted by the District indicated the following exceptions:

- Thirteen run sheets could not be located.
- Seven explanations of benefit (EOB) printouts could not be located to verify payments received by the EMS.

Cause of Condition: Procedures have not been designed to ensure that run sheets and explanation of benefits (EOB) are maintained.

**CIMARRON EMERGENCY MEDICAL SERVICE DISTRICT
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Effect of Condition: These conditions could result in unrecorded transactions, undetected errors, or misappropriation of funds.

Recommendation: OSAI recommends that the District design and implement procedures to ensure adequate documentation for each run made is maintained on file.

Management Response: The new Administrator is working toward the design of a filing and recording process that will ensure documentation is maintained.

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 assets from misappropriation.



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