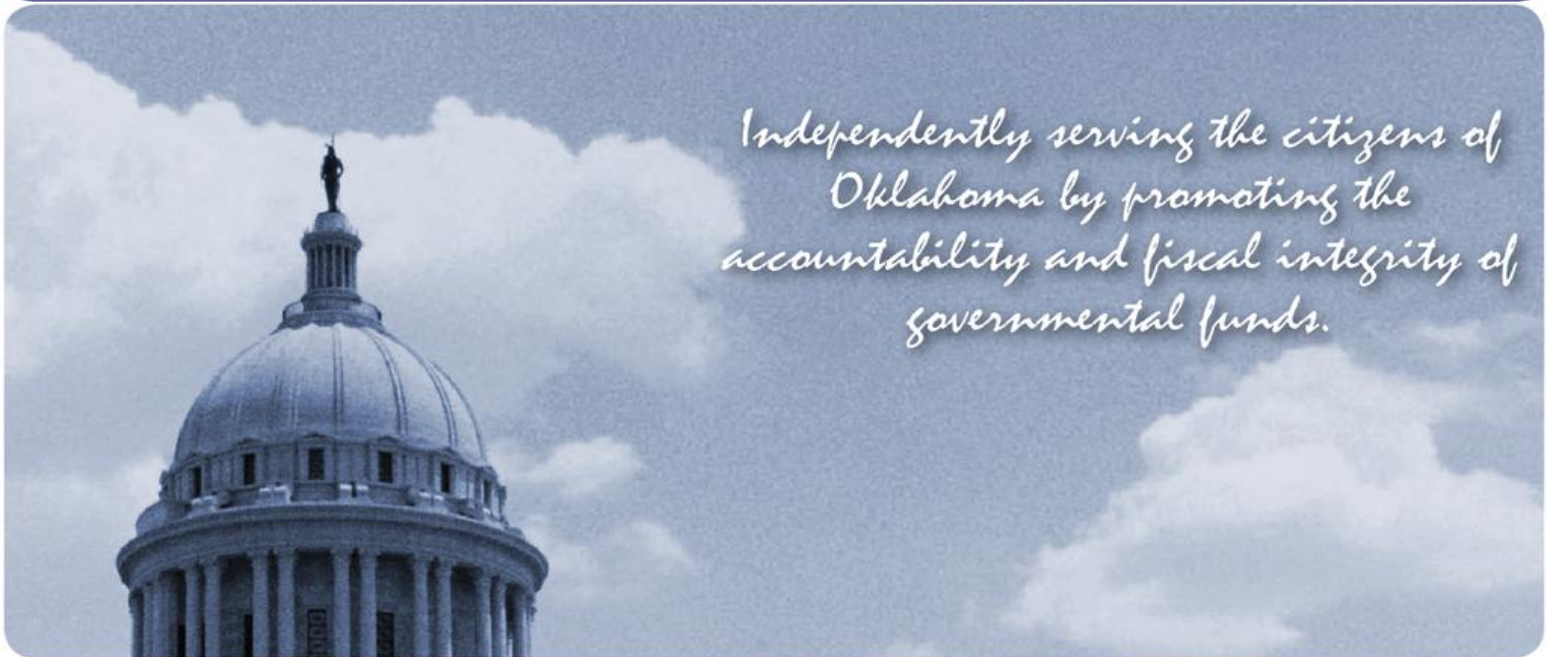


STATUTORY REPORT

COTTON COUNTY EMERGENCY MEDICAL SERVICE DISTRICT

For the fiscal year ended June 30, 2015



*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

**COTTON COUNTY EMERGENCY MEDICAL SERVICE DISTRICT
STATUTORY REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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Oklahoma State Auditor & Inspector

2300 N. Lincoln Blvd. • State Capitol, Room 100 • Oklahoma City, OK 73105 • Phone: 405.521.3495 • Fax: 405.521.3426

March 16, 2016

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

Transmitted herewith is the audit report of Cotton County Emergency Medical Service District for the fiscal year ended June 30, 2015.

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". The signature is fluid and cursive, with a long horizontal stroke at the end.

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

**COTTON COUNTY EMERGENCY MEDICAL SERVICE DISTRICT
 STATUTORY REPORT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Presentation of Collections, Disbursements, and Cash Balances of District Funds for FY 2015

	FY 2015
Beginning Cash Balance, July 1	\$ 124,845
Collections	
Ad Valorem Tax	110,585
Charges for Services	-
Miscellaneous	169
Total Collections	110,754
Disbursements	
Personal Services	101,333
Maintenance and Operations	3,561
Audit Expense	4,594
Total Disbursements	109,488
Ending Cash Balance, June 30	\$ 126,111

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



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Cotton County Emergency Medical Service District
301 N. Broadway Street
Walters, Oklahoma 73572

TO THE BOARD OF DIRECTORS OF THE COTTON 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 2015 were accurately presented on the estimate of needs.

All information included in the records of the District is the representation of the Cotton 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 Cotton County Emergency Medical Service District.

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

This report is intended for the information and use of the management of the Cotton 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 extending to the right.

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

March 15, 2016

**COTTON COUNTY EMERGENCY MEDICAL SERVICE DISTRICT
STATUTORY REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

SCHEDULE OF FINDINGS AND RESPONSES

Finding 2015-1 - Expenditure Process (Repeat Finding)

Condition: While testing expenditures for the Cotton County Emergency Medical Service District (the District), it was noted that the District Board meeting minutes documented that the expenditures were approved for payment but only after the Board of County Commissioners had made the payment. Therefore, payments are being made and sent to the vendor before Board approval.

Further, during testing of expenditures it was noted that two (2) purchase orders did not have evidence of receiving signature/verification of accuracy of the invoice.

Cause of Condition: Policies and procedures have not been designed and implemented to check completeness, authorization, and provide adequate documentation to support disbursements.

Recommendation: OSAI recommends all invoices, tickets and/or statements documenting the District's disbursements be signed by a Board member, taking responsibility for verifying the goods or services were received. OSAI also recommends that the District expenditures be approved by the Board before payment is issued to the vendors. Furthermore, the Board minutes currently only reflect that disbursements are approved for payment. The Board minutes should include the vendor, the purchase order/claim number, and the amount approved for payment.

Management Response:

EMS Chairman: The Board will check mailbox frequently and ensure that purchase orders are signed in a timely manner. The Board will also review all purchase orders signed in previous time period during each scheduled meeting. The expenditure process will be reviewed by the Board to determine how the District will document the review and approval process as necessary. In the future, all invoices will be signed and dated by a Board member to document that the goods and services were received and that the invoice was checked for accuracy.

Criteria: Internal controls should be designed to analyze and check accuracy, completeness, and authorization of disbursements and/or transactions.

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



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