



CRESCENT EMERGENCY MEDICAL SERVICE DISTRICT

Statutory Report

For the fiscal year ended June 30, 2020

Cindy Byrd, CPA
State Auditor & Inspector

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

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Cindy Byrd, CPA | State Auditor & Inspector

2300 N. Lincoln Blvd., Room 123, Oklahoma City, OK 73105 | 405.521.3495 | www.sai.ok.gov

April 16, 2021

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

Transmitted herewith is the audit report of Crescent 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



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

	<u>FY 2020</u>
Beginning Cash Balance, July 1	\$ 22,214
Collections	
Ad Valorem Tax	89,345
Donation Account	179
Total Collections	<u>89,524</u>
Disbursements	
Service Provider Contract	46,854
Maintenance and Operations	8,488
Capital Outlay	16,333
Total Disbursements	<u>71,675</u>
Ending Cash Balance, June 30	<u>\$ 40,063</u>

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

Crescent Emergency Medical Service District
P.O. Box 233
Crescent, Oklahoma 73028

**TO THE BOARD OF DIRECTORS OF THE
CRESCENT 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, 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 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 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.
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All information included in the records of the District is the representation of the Crescent 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 Crescent 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 Crescent 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

April 11, 2021

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SCHEDULE OF FINDINGS AND RESPONSES

Finding 2020-005 – Lack of Internal Controls Over Fixed Assets Inventory (Repeat Finding)

Condition: Upon inquiry of Board members regarding the Crescent Emergency Medical Service District's (the District) fixed assets, the following exceptions were noted:

- The District's fixed assets inventory list did not have evidence of a signature to provide verification of accuracy of the inventory list.
- The Board did not approve an annual fixed assets inventory list.
- The Board has not approved formal policies and procedures regarding their fixed assets inventory.

Additionally, a test of all the District's ambulances and ten **(10)** additional items was completed. The following exceptions were noted:

- The ambulance owned by the District was not included on the fixed assets inventory list.
- Eight **(8)** of the ten **(10)** additional items on the fixed assets inventory list could not be identified by serial number.

Cause of Condition: Policies and procedures have not been designed and implemented to ensure fixed assets inventory is properly accounted for, maintained, updated and approved regularly by the District.

Effect of Condition: These conditions could result in errors and improprieties, unrecorded transactions, misappropriation of assets, or loss of District equipment.

Recommendation: The Oklahoma State Auditor and Inspector's Office (OSAI) recommends the Board determine the fixed assets owned by the District and design and implement formal policies and procedures to accurately maintain fixed assets inventory records. Records should be maintained in such a manner that all fixed assets are included, and assets can be identified by serial number, date of acquisition, and purchase price. Additionally, an annual physical verification of fixed assets should be performed and documented.

Management Response:

Vice - Chairman of the Board: The District Board received an updated inventory list from the contract provider on August 5, 2020. Moving forward the District Board will not only receive the list, but review and sign and amend as needed.

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.

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The GAO Standards – Section 2 – Objectives of an Entity – OV2.24 states in part:

Safeguarding of Assets

Management designs an internal control system to provide reasonable assurance regarding prevention or prompt detection and correction of unauthorized acquisition, use, or disposition of an entity's assets.

Additionally, Principle 10 – Design Control Activities – 10.03 states in part:

Physical Control Over Vulnerable Assets

Management establishes physical control to secure and safeguard vulnerable assets. Examples include security for and limited access to assets such as cash, securities, inventories, and equipment that might be vulnerable to risk of loss or unauthorized use. Management periodically counts and compares such assets to control records.

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