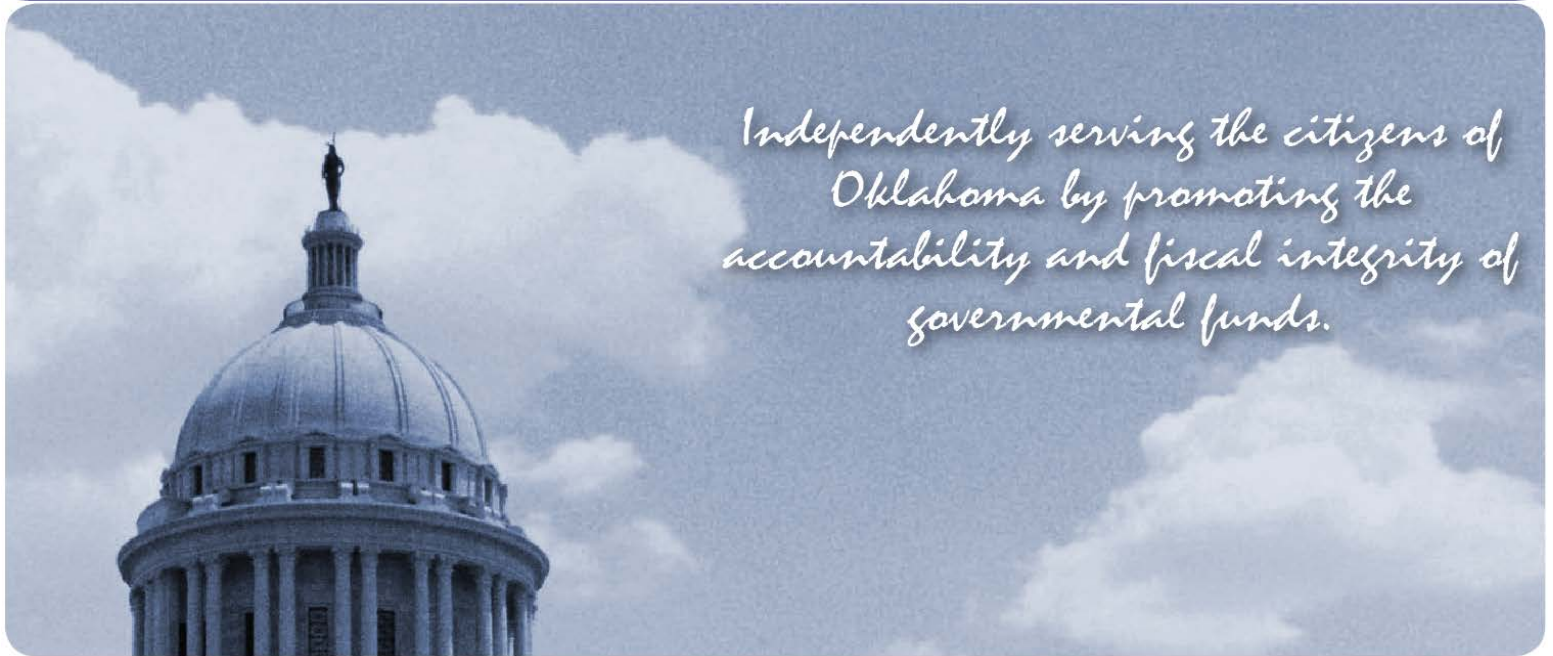


STATUTORY REPORT

GREER COUNTY SPECIAL AMBULANCE SERVICE DISTRICT

For the fiscal year ended June 30, 2016



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

**GREER COUNTY SPECIAL AMBULANCE SERVICE DISTRICT
STATUTORY REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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) 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.



Oklahoma State Auditor & Inspector

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

July 17, 2017

**TO THE BOARD OF DIRECTORS OF THE
GREER COUNTY SPECIAL AMBULANCE SERVICE DISTRICT**

Transmitted herewith is the audit report of Greer County Special Ambulance Service District for the fiscal year ended June 30, 2016.

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 "Gary A. Jones". The signature is written in a cursive style.

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

**GREER COUNTY SPECIAL AMBULANCE SERVICE DISTRICT
 STATUTORY REPORT
 FOR THE YEAR ENDED JUNE 30, 2016**

Presentation of Collections, Disbursements, and Cash Balances of District Funds for FY 2016

	FY 2016
Beginning Cash Balance, July 1	\$ 162,189
Less: Prior year outstanding warrants	(14,048)
Adjusted beginning balance, July 1	148,141
Collections	
Ad Valorem Tax	50,555
Charges for Services	548,274
Miscellaneous	430
Total Collections	599,259
Disbursements	
Personal Services	524,226
Maintenance and Operations	154,715
Capital Outlay	1,352
Audit Expense	1,632
Total Disbursements	681,925
Ending Cash Balance, June 30	\$ 65,475

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



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Greer County Special Ambulance Service District
121 East Jefferson Street
Mangum, Oklahoma 73534

TO THE BOARD OF DIRECTORS OF THE GREER COUNTY SPECIAL AMBULANCE 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 2016

All information included in the records of the District is the representation of the Greer 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 Greer County Special Ambulance 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 Greer County Special Ambulance 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 that reads "Gary A. Jones". The signature is written in a cursive style with a long horizontal stroke at the end.

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

June 13, 2017

**GREER COUNTY SPECIAL AMBULANCE SERVICE DISTRICT
STATUTORY REPORT
FOR THE YEAR ENDED JUNE 30, 2016**

SCHEDULE OF FINDINGS AND RESPONSES

Finding 2016-2 - Inadequate Internal Controls Over the Billing Process

Condition: Upon inquiry of personnel, observation of records, and the test of forty (40) ambulance runs, the following exceptions were noted:

- The dispatch log could not be verified to the run sheet for one (1) ambulance run.
- The fee charged for ambulance runs did not agree to the fee rate schedule for ten (10) ambulance runs.
- The billing records could not be verified to three (3) ambulance runs.
- Evidence of a second billing being sent to customer could not be located for one (1) ambulance run.

Cause of Condition: Policies and procedures have not been designed and implemented to verify that the correct ambulance run number is used on the ambulance run sheets and billing information, patient accounts are billed at the Board approved fee rate schedule amount, and second statements are sent when payment for an ambulance run is not received in a timely manner.

Effect of Condition: These conditions resulted in the District having inaccurate records and incomplete documentation and could result in billing the incorrect amount for ambulance runs as compared to the fee rate schedule.

Recommendation: OSAI recommends the District implement recordkeeping policies and procedures to ensure all ambulance runs are billed accurately and in accordance with the fee rate schedule. Further, OSAI recommends second statements be sent if no payment is received after the first billing and documented appropriately.

Management Response:

Chairman of the Board and Director: We have discussed these issues with our billing clerk and investigated the matters further. The software has a “glitch” which is over rounding on mileage that nears 25 miles. A help desk ticket has been issued to the third party billing company and all future billings will be checked thoroughly to ensure accuracy. Additionally, procedures will be put in place to ensure that all runs are billed accurately and in a timely manner.

Criteria: Accountability and stewardship are overall goals of the Board in the accounting of funds. Effective internal controls are essential to provide reasonable assurance about the achievement of the entity’s objectives with regard to the reliability of financial reporting. A component objective of an effective internal control system is to ensure the District bills ambulance runs in a timely and accurate manner.

**GREER COUNTY SPECIAL AMBULANCE SERVICE DISTRICT
STATUTORY REPORT
FOR THE YEAR ENDED JUNE 30, 2016**

Finding 2016-3 - Inadequate Internal Controls Over Payroll Disbursements (Repeat Finding)

Condition: While reviewing documentation for one (1) payroll period and twenty (20) employees, we noted the following exceptions:

- In four (4) instances there was no documentation that an employee prepared a timesheet.
- In seven (7) instances timesheets were not signed by the employee or approved by a Supervisor or Board member.
- In three (3) instances form W-4 documentation was not provided as evidence of tax deductions made from payroll wages.

Cause of Condition: Policies and procedures have not been designed and implemented to ensure all employees complete timesheets, ensure timesheets are signed by employees and approved by a Supervisor or a Board member, and adequate supporting documentation of payroll deductions is maintained.

Effect of Condition: These conditions could result in errors with regard to the accurate reporting of payroll disbursements.

Recommendation: OSAI recommends the District ensure all employees prepare a timesheet, and that each timesheet is verified by the employee and Supervisor or Board member for accuracy. Additionally, OSAI recommends the District maintain adequate documentation to ensure all compensation comply with federal and state regulations regarding payroll tax withholdings.

Management Response:

Chairman of the Board: All employees including salaried employees will prepare timesheets which will be reviewed and signed by a Supervisor and/or Board member. Appropriate documentation including W-4's will be maintained for each of the personnel.

Criteria: Accountability and stewardship are overall goals of management in the accounting of funds. Internal controls should be designed and implemented to provide reasonable assurance that the payroll expenditures of the District are accurately reported. An important aspect of internal controls is the safeguarding of assets. 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/or misappropriation of funds. Effective internal controls include instituting a review process over timesheets. Timesheets should be reviewed to verify the accuracy of employee's hours worked and signed by the employee and approved by a Supervisor or Board member. Additionally, deductions should be supported by appropriate documentation and maintained by the District.



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