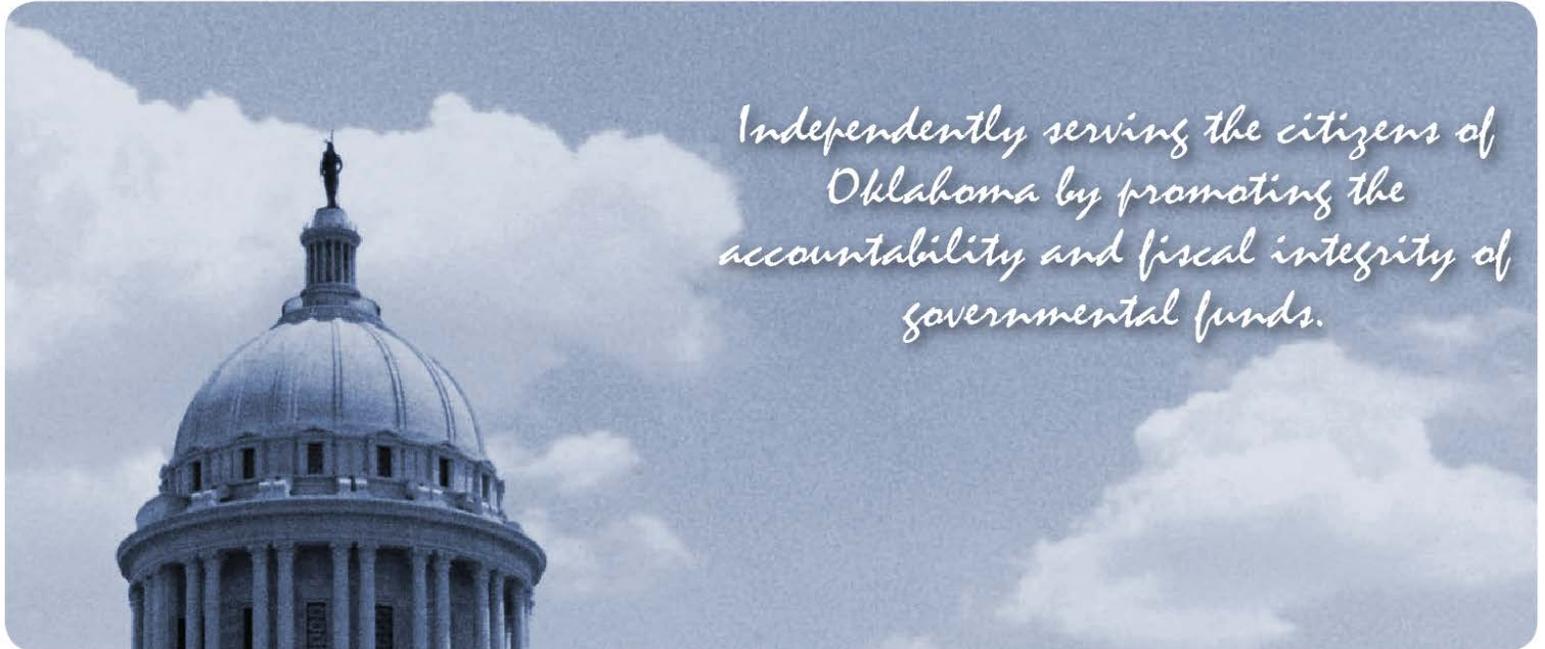


STATUTORY REPORT

GREER COUNTY SPECIAL AMBULANCE SERVICE DISTRICT

For the fiscal year ended June 30, 2017



*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

**GREER COUNTY SPECIAL AMBULANCE SERVICE DISTRICT
STATUTORY REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

May 29, 2018

**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, 2017.

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".

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

**GREER COUNTY SPECIAL AMBUALNCE SERVICE DISTRICT
STATUTORY REPORT
JUNE 30, 2017**

Presentation of Collections, Disbursements, and Cash Balances of District Funds for FY 2017

	<u>FY 2017</u>
Beginning Cash Balance, July 1	<u>\$ 65,475</u>
Collections	
Ad Valorem Tax	51,766
Charges for Services	540,416
Intergovernmental - Grants	97,948
Miscellaneous - Interest Income	167
Total Collections	<u>690,297</u>
Disbursements	
Personal Services	505,478
Travel	14,479
Maintenance and Operations	147,316
Capital Outlay	72,521
Total Disbursements	<u>739,794</u>
Ending Cash Balance, June 30	<u>\$ 15,978</u>

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 2017 were accurately presented on the estimate of needs.

All information included in the records of the District is the representation of the Greer County Special Ambulance 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

April 17, 2018

**GREER COUNTY SPECIAL AMBULANCE SERVICE DISTRICT
STATUTORY REPORT
FOR THE YEAR ENDED JUNE 30, 2017**

SCHEDULE OF FINDINGS AND RESPONSES

Finding 2017-02 - Inadequate Internal Controls and Noncompliance Over Billing Process (Repeat Finding)

Condition: Upon inquiry of Greer County Special Ambulance Service District (the District) personnel, observation of records, and the test of forty (40) ambulance runs, the following exception was noted:

- One (1) patient account did not have documented information that a second billing statement had been sent to patient.

In addition, the test of five (5) days' cash compositions reflected the following exception:

- A lapse of five (5) days between receiving the payment and making the deposit.

Cause of Condition: Policies and procedures have not been designed and implemented to ensure a second billing is sent on past due patient accounts, and deposits are made in a timely manner.

Effect of Condition: These conditions resulted in the District having inaccurate records or incomplete documentation and could result in billing the incorrect amount for ambulance runs and noncompliance with state statute.

Recommendation: The Oklahoma State Auditor and Inspector's office (OSAI) recommends the District implement recordkeeping policies and procedures to ensure all runs are billed accurately. Further, OSAI recommends second billing statements be sent if no payment is received after the first billing and is documented appropriately. Additionally, deposits should be made daily in accordance with 62 O.S. § 517.3(B).

Management Response:

Board Chairman: Policies and procedures will be put into place to ensure that past due accounts are billed timely and deposits are made daily.

Criteria: Accountability and stewardship are overall goals of the Board 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.

Additionally, 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..."

**GREER COUNTY SPECIAL AMBULANCE SERVICE DISTRICT
STATUTORY REPORT
FOR THE YEAR ENDED JUNE 30, 2017**

Finding 2017-03 - Inadequate Internal Controls Over the Payroll Process (Repeat Finding)

Condition: Inquiry of staff, observation of records and test of documentation for one payroll period, including twenty (20) employees of the District, resulted in the following exceptions:

- Two (2) instances in which the employee prepared timesheet was not signed by the employee.
- One (1) instance in which timesheets were not signed by the Supervisor/Board.
- One (1) instance in which the payment for insurance was withheld from the paycheck; however, no evidence of withholding appears on the payroll worksheet.
- One (1) instance in which the form W-4 could not be located.

Cause of Condition: Policies and procedures have not been designed and implemented to ensure that timesheets are completed by employees, timesheets are signed by employees, and approved by the Supervisor/Board, and adequate supporting documentation for payroll deductions is maintained.

Effect of Condition: These conditions could result in errors regarding 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/Board for accuracy. Additionally, OSAI recommends the District maintain adequate documentation to ensure all compensation complies with the Internal Revenue Service and the Oklahoma Tax Commission regulations regarding withholdings.

Management Response:

Board Chairman: All employees, including salaried employees, will prepare timesheets which will be reviewed and signed by supervisors and/or Board. Appropriate documentation including W-4 forms and insurance withholding forms, will be maintained for each employee in personnel files.

Criteria: Accountability and stewardship are overall goals of the Board in the accounting of funds. Internal controls should be designed and implemented to provide reasonable assurance that the payroll disbursements 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, leave taken, leave accrued, and signed by the employee and by a supervisor/board. Additionally, deductions should be supported by appropriate documentation maintained by the District.



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