

**LeFLORE COUNTY
EMERGENCY
MEDICAL
SERVICE DISTRICT**

**FOR THE PERIOD JULY 1, 2005
THROUGH JUNE 30, 2007**

EMS AGREED-UPON PROCEDURES



Oklahoma State Auditor
& Inspector

**LeFLORE COUNTY EMERGENCY MEDICAL SERVICE DISTRICT
AGREED-UPON PROCEDURES REPORT
FOR THE PERIOD JULY 1, 2005 THROUGH JUNE 30, 2007**

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STATE AUDITOR AND INSPECTOR

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State Auditor

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May 18, 2010

TO THE BOARD OF TRUSTEES OF THE
LeFLORE COUNTY EMERGENCY MEDICAL SERVICE DISTRICT

Transmitted herewith is the agreed-upon procedures report for the LeFlore County Emergency Medical Service District for the period July 1, 2005 through June 30, 2007. The Office of the State Auditor and Inspector is committed to serving the public interest by providing independent oversight and by issuing reports that serve as a management tool to the State. Our goal is to ensure a government that is accountable to the people of the State of Oklahoma.

We wish to take this opportunity to express our appreciation for the assistance and cooperation extended to our office during the course of our engagement.

Sincerely,

A handwritten signature in blue ink that reads "Steve Burrage".

STEVE BURRAGE, CPA
STATE AUDITOR & INSPECTOR



INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

TO THE BOARD OF TRUSTEES OF THE
LeFLORE COUNTY EMERGENCY MEDICAL SERVICE DISTRICT

We have performed the procedures enumerated below, which were agreed to by management of the LeFlore County Emergency Medical Service District (the District), solely to assist you in evaluating the receipt and disbursement process, the safeguarding of capital assets, and in determining whether selected receipts and disbursements are supported by underlying records for the period July 1, 2005 through June 30, 2007. This agreed-upon procedures engagement was conducted in accordance with standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America. The sufficiency of these procedures is solely the responsibility of the specified parties in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

1. We observed whether receipting, depositing, and reconciling functions are performed by separate employees.

Finding: The data entry clerk receives, receipts, records, and prepares deposits. The accounting clerk performs these duties in her absence. There is no review or approval of these functions other than the employee performing the task.

2. We randomly selected ten runs from the dispatch log book in order to:
 - A. Trace to the run sheet.
 - B. Agree fee charged to fee schedule.
 - C. Trace run to billing records.
 - D. Trace receipt number from billing records to receipt.
 - E. Trace receipt to deposit slip.
 - F. Agree cash/check composition of deposits to the receipts issued.
 - G. Examine receipts to determine they are pre-numbered and issued in numerical order.
 - H. Agree date of receipts to date of deposit slip.
 - I. For any voided receipts, observe the original receipt.
 - J. Observe second billing and or list sent to collection agency if no payment was received.
 - K. Observe District Board authorization in the Board minutes if the amount was written off.

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Finding: With respect to applying procedure B, three of the ten run sheets selected had the incorrect mileage billed. With respect to applying procedure G, one receipt was not issued in date sequence.

With respect to applying procedures A, C-F, and H-K, there were no findings.

3. We agreed all bank reconciliations performed during the year to the financial records.

There were no findings as a result of applying the procedures.

4. We confirmed with financial institutions all cash and cash equivalent balances and investment balances as of June 30, 2006 and June 30, 2007.

There were no findings as a result of applying the procedures.

5. We compared the District's cash/cash equivalents in each financial institution to the fair market value of each financial institution's pledged collateral at June 30, 2006 and June 30, 2007.

There were no findings as a result of applying the procedures.

6. We traced amounts of ad valorem taxes remitted from the County Treasurer to the District's deposit slips.

There were no findings as a result of applying the procedures.

7. We observed whether receiving goods and services, preparing claims, and issuing payments are performed by separate employees.

Finding: The accounting clerk prepares claims, issues payments, and receives goods and services. In her absence, other employees receive goods and services. There is no approval of these functions other than the employee performing the task.

8. We randomly selected 25 checks in order to:
 - A. Agree to invoices.
 - B. Agree payee on cancelled check to vendor on invoice.
 - C. Inspect the receiving report/invoice for signature of District employee who verified goods and/or services were received.
 - D. Trace claim approval to District Board minutes.

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Finding: With respect to procedure C, 1 of the 25 checks selected did not have a receiving report and/or invoice signed by a District employee to verify that goods and/or services were received.

With respect to applying procedures A, B, and D, there were no findings.

9. We observed each Board member's Official Bond.

There were no findings as a result of applying the procedures.

10. We randomly selected one payroll period in order to:
- A. Observe whether all employees prepared timesheets.
 - B. Inspect timesheets for signatures of employees and supervisors.

Finding: With respect to procedure B, five of five timesheets selected were not signed and dated by the supervisor at the end of the pay period. In addition, one of five timesheets selected was not signed and dated by the employee at the end of the pay period.

With respect to applying procedure A, there were no findings.

11. We randomly selected five employees from the payroll records in order to:
- A. Compare leave amounts earned to the District policy for earning leave.
 - B. Compare leave balances to the District policy for limitations on leave balances.
 - C. Trace annual leave used on the employee's timesheet (or payroll claim) to the respective monthly leave balance report.

There were no findings as a result of applying the procedures.

12. We observed the publication notice of the District's Estimate of Needs. Additionally, we observed whether all schedules in the Estimate of Needs were completed and the publication notice was printed in a county-wide newspaper.

There were no findings as a result of applying the procedures.

13. We selected all items requiring bids (greater than \$7,500) in order to:
- A. Observe proof of publication of bid.
 - B. Observe justification and approval of awarding the bid to a bidder other than the lowest bidder in the District Board minutes.

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Finding: The District remounted a 2007 Ford E-450 ambulance and purchased seven (7) Ferno Power-flex gurneys and did not publicize or solicit bids for these items.

14. We observed insurance policies for the existence of coverage of capital assets.

There were no findings as a result of applying the procedures.

We were not engaged to, and did not, conduct an examination or a review, the objective of which would be the expression of an opinion or limited assurance on the receipt and disbursement process, the safeguarding of capital assets, and the determination of whether selected receipts and disbursements are supported by underlying records for the District. Accordingly, we do not express such an opinion or limited assurance. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board of Trustees, Excise Board, and Legislative Officials and should not be used for any other purpose. This report is also a public document pursuant to the Oklahoma Open Records Act (51 O.S. § 24A.1 et seq.), and shall be open to any person for inspection and copying.



STEVE BURRAGE, CPA
STATE AUDITOR & INSPECTOR

July 27, 2009



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