



MCCLAIN-GRADY COUNTY EMERGENCY MEDICAL SERVICE DISTRICT

Statutory Report

For the fiscal year ended June 30, 2018

Cindy Byrd, CPA
State Auditor & Inspector

**McCLAIN-GRADY COUNTY EMERGENCY MEDICAL SERVICE DISTRICT
STATUTORY REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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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

August 26, 2019

**TO THE BOARD OF DIRECTORS OF THE
McCLAIN-GRADY COUNTY EMERGENCY MEDICAL SERVICE DISTRICT**

Transmitted herewith is the audit report of McClain-Grady County Emergency Medical Service District for the fiscal year ended June 30, 2018.

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



**McCLAIN-GRADY COUNTY EMERGENCY MEDICAL SERVICE DISTRICT
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Presentation of Collections, Disbursements, and Cash Balances of District Funds for FY 2018

	<u>FY 2018</u>
Beginning Cash Balance, July 1	\$ 723,266
Collections	
Ad Valorem Tax	576,943
Charges for Services	498,071
Miscellaneous	52,614
Total Collections	<u>1,127,628</u>
Disbursements	
Personal Services	823,310
Maintenance and Operations	176,071
Capital Outlay	25,512
Audit Expense	11,800
Total Disbursements	<u>1,036,693</u>
Ending Cash Balance, June 30	<u>\$ 814,201</u>

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

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General Obligation Bond of 2018

On April 3, 2018 the voters of the McClain-Grady County Emergency Medical Service District(the District) approved a \$900,000.00 general obligation bond issue for the constructing and equipping of a new emergency medical service facility to be located in Newcastle, Oklahoma, and for acquiring emergency medical vehicles and other equipment related thereto, and maintenance and housing of the same. At June 30, 2018, the District had not received the proceeds from the bond issue.

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

McClain-Grady County Emergency Medical Service District
211 W. Blanchard Drive
Blanchard, Oklahoma 73010

**TO THE BOARD OF DIRECTORS OF THE
McCLAIN-GRADY COUNTY 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, 2018 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 whether the District's collections, disbursements, and cash balances for the fiscal year ended June 30, 2018 were accurately presented on the estimate of needs.

All information included in the records of the District is the representation of the McClain-Grady 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 McClain-Grady County 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 McClain-Grady County 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

June 17, 2019

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SCHEDULE OF FINDINGS AND RESPONSES

Finding 2018-001 - Internal Controls Over the Verification of Fixed Assets Inventory (Repeat Finding)

Condition: Based on inquiry, observation, and review of the McClain-Grady County Emergency Medical Service District (the District) fixed assets inventory records, we noted that although policies and procedures have been designed to safeguard fixed assets, an annual physical count of fixed assets inventory was not performed during the fiscal year ended June 30, 2018.

Cause of Condition: Policies and procedures have not been implemented to ensure a fixed assets inventory is properly maintained and updated through a periodic review 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 recommends that fixed assets inventory records are current, and an annual physical inventory verification be performed by someone other than the individual maintaining fixed assets inventory records and documentation of the physical inventory count be retained.

Management Response:

President of the Board: The District is aware there is not an annual physical review of inventory. We are in the process of developing a policy that defines the fixed assets to be included in the fixed asset inventory listing and requires the inventory to be performed annually. District management has employees assigned to this task to ensure it is not performed by the office management. The completion of this project was delayed due to a shortage of personnel resulting from extended medical leave.

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."

OV2.24 "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."

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