

# McCURTAIN COUNTY EMERGENCY MEDICAL SERVICE DISTRICT

FOR THE YEAR ENDED JUNE 30, 2005

# FINANCIAL AUDIT



Oklahoma State Auditor  
& Inspector

**McCURTAIN COUNTY EMERGENCY MEDICAL SERVICE AUTHORITY  
FINANCIAL STATEMENT  
AND INDEPENDENT AUDITOR'S REPORT  
FOR THE YEAR ENDED JUNE 30, 2005**

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**STATE OF OKLAHOMA**  
**OFFICE OF THE AUDITOR AND INSPECTOR**

Steve Burrage, CPA  
State Auditor and Inspector

August 27, 2008

**TO THE BOARD OF TRUSTEES OF THE  
McCURTAIN COUNTY EMERGENCY MEDICAL SERVICE AUTHORITY**

Transmitted herewith is the audit of the McCurtain County Emergency Medical Service Authority's financial statement for the fiscal year ended June 30, 2005. The audit was conducted in accordance with *Government Auditing Standards*.

A report of this type is critical in nature; however, we do not intend to imply that our audit failed to disclose commendable features in the present accounting and operating procedures of the McCurtain County Emergency Medical Service Authority.

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

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 to ensure a government which is accountable to the people of the State of Oklahoma.

Sincerely,

A handwritten signature in blue ink that reads "Michelle R. Day".

MICHELLE R. DAY, Esq.  
Deputy State Auditor and Inspector

**McCURTAIN COUNTY EMERGENCY MEDICAL SERVICE AUTHORITY**  
**JUNE 30, 2005**

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**McCURTAIN COUNTY EMERGENCY MEDICAL SERVICE AUTHORITY**  
**JUNE 30, 2005**

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**BOARD OF TRUSTEES**

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**McCURTAIN COUNTY EMERGENCY MEDICAL SERVICE AUTHORITY**  
**JUNE 30, 2005**

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**INTRODUCTION**

Article 10, § 9C of the Oklahoma Constitution authorized the formation of emergency medical service districts and authorized a tax levy not to exceed 3 mills for the purpose of providing funds to support, organize, operate, and maintain district ambulance services. District voters approved the formation of the district and a 3 mills levy to support the operation of the district. The McCurtain County Emergency Medical Service Authority is comprised of McCurtain County and was created to provide ambulance service to all citizens.

Emergency medical service districts are governed by a board of trustees. The board of trustees (the board) has the power to hire a manager and other personnel, contract, organize, maintain, or otherwise operate the emergency medical service district. The trustees must act as a board when entering into contracts or other agreements affecting the district's welfare. Thus, actions taken by the board are voted on and approved by a majority of the trustees. The board of trustees' business meetings are open to the public. The board shall have the capacity to sue and be sued but shall enjoy immunity from civil suits for actions or omissions arising from the operation of the district. Such districts have the authority to charge fees for services, and accept gifts, funds, or grants.

The Oklahoma Constitution also provides that the district shall be audited by the State Auditor and Inspector.

## **FINANCIAL SECTION**



**STATE OF OKLAHOMA**  
**OFFICE OF THE AUDITOR AND INSPECTOR**

Steve Burrage, CPA  
State Auditor and Inspector

**Independent Auditor's Report**

**TO THE BOARD OF TRUSTEES OF THE  
McCURTAIN COUNTY EMERGENCY MEDICAL SERVICE AUTHORITY**

We have audited the accompanying Statement of Receipts, Disbursements, and Changes in Cash Balances—General Fund of McCurtain County Emergency Medical Service Authority, as of and for the year ended June 30, 2005, listed in the table of contents as the basic financial statement. This financial statement is the responsibility of the McCurtain County Emergency Medical Service Authority. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the accompanying basic financial statement was prepared using accounting practices prescribed or permitted by Oklahoma state law, which practices differ from accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the matter discussed in the preceding paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of McCurtain County Emergency Medical Service Authority as of June 30, 2005, or changes in its financial position for the year then ended.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the receipts, disbursements, and changes in cash balances of the McCurtain County Emergency Medical Service Authority, for the year ended June 30, 2005, on the basis of accounting described in Note. 1.



In accordance with *Government Auditing Standards*, we have also issued our report dated July 14, 2008, on our consideration of McCurtain County Emergency Medical Service Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was performed for the purpose of forming an opinion on the Statement of Receipts, Disbursements, and Changes in Cash Balances—General Fund of McCurtain County Emergency Medical Service Authority, taken as a whole. The accompanying Comparative Schedule of Receipts, Expenditures, and Changes in Cash Balances—Budget and Actual—Budgetary Basis—General Fund is presented for purposes of additional analysis and is not a required part of the basic financial statement. The Comparative Schedule of Receipts, Expenditures, and Changes in Cash Balances—Budget and Actual—Budgetary Basis—General Fund has been subjected to the auditing procedures applied in the audit of the basic financial statement and, in our opinion, is fairly stated in all material respects in relation to the basic financial statement taken as a whole.



MICHELLE R. DAY, Esq.  
Deputy State Auditor and Inspector

July 14, 2008

## **Basic Financial Statement**

**McCURTAIN COUNTY EMERGENCY MEDICAL SERVICE AUTHORITY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND  
CHANGES IN CASH BALANCES—GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

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	<b>General Fund</b>
<b>Beginning Cash Balance</b>	<b>\$ 612,411</b>
<b>Receipts:</b>	
Ad Valorem Taxes	454,765
Charges for Services	959,250
Miscellaneous	11,441
<b>Total Receipts</b>	<b>1,425,456</b>
<b>Disbursements:</b>	
Personal Services	940,111
Travel	2,030
Maintenance and Operations	219,395
Capital Outlay	56,856
Audit	12,571
Other	68,897
<b>Total Disbursements</b>	<b>1,299,860</b>
<b>Ending Cash Balance</b>	<b>\$ 738,007</b>

The notes to the financial statement are an integral part of this statement.

**McCURTAIN COUNTY EMERGENCY MEDICAL SERVICE AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

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**1. Summary of Significant Accounting Policies**

The accompanying basic financial statement presents the receipts, disbursements, and changes in cash balances of McCurtain County Emergency Medical Service Authority (the Authority). The financial activity presented is established under statutory authority, and its operation is under the control of the Authority Board of Trustees. The more significant accounting policies and practices are described below.

**A. Reporting Entity**

The Authority is a special unit of government and does not possess political or governmental powers other than those necessary to carry out the specific purposes for which it was created. The Authority is not subject to federal or state income taxes.

The accompanying basic financial statement includes all Authority functions and activities over which the Authority Board exercises significant influence. Significant influence or accountability is based primarily on the oversight exercised by the Authority Board. The Authority is not a component unit of another government and does not have any component units.

**B. Fund Accounting**

The Authority uses only a general fund to account for its cash balances.

**C. Basis of Accounting**

The basic financial statement is prepared on a basis of accounting wherein amounts are recognized when received or disbursed. This basis of accounting differs from accounting principles generally accepted in the United States of America, which require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred. This cash basis financial presentation is not a comprehensive measure of economic condition or changes therein.

**D. Cash and Investments**

State statutes require financial institutions with which the Authority maintains funds to deposit collateral securities to secure the Authority's deposits. The amount of collateral securities to be pledged is established by the Authority Treasurer; this amount must be at least the amount of the deposit to be secured, less the amount insured (by, for example, the FDIC).

State statutes authorize the Authority to invest in obligations of the U.S. Treasury, certificates of deposit, or savings accounts of banks, savings and loans, and trust companies if secured by acceptable collateral where the collateral has been deposited with a trustee or custodian bank.

**McCURTAIN COUNTY EMERGENCY MEDICAL SERVICE AUTHORITY  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

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**E. Risk Management**

The Authority is exposed to various risks of loss related to: torts, theft of, damage to and destruction of assets; errors and omissions; injuries to personnel and natural disasters. The Authority continues to carry commercial insurance for these types of risk. The Authority carries workers' compensation, health and accidental insurance on its personnel. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Authority. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have been no significant reductions in insurance coverage during the 2005 fiscal year.

**F. Compensated Absences**

Each full-time employee shall accrue two shifts (32 hours) of vacation leave after one year of employment and three shifts (48 hours) after the second year. Each employee shall accrue four shifts (64 hours) after the third and fourth year, five shifts (80 hours) after the fifth and sixth year. After completing seven years of service, each full-time employee will receive one additional shift (16 hours) for each year of service up to his or her 10<sup>th</sup> year. The 10<sup>th</sup> through 15<sup>th</sup> year each employee shall accrue nine shifts (144 hours). If vacation leave is not used within twelve months immediately following eligibility, it is lost.

Each full-time employee will be granted 48 hours of sick leave annually after the end of the employee's ninety-day probation period. Sick leave may not be accumulated. Employees with sick leave remaining at the end of the fiscal year may sell back their time at thirty minutes per hour accrued.

**2. Stewardship Policies**

On or before June 1 of each year, a budget for each fund, as required by the Board, is completed. The budget is approved by object category. The Authority Board may approve changes of appropriations within the fund by object category. To increase or decrease the budget by fund requires approval by the Excise Board.

**3. Detailed Notes on Fund Balances**

**A. Ad Valorem Tax**

The property tax is levied each October 1 on the assessed value listed as of January 1 of the same year for all real and personal property located in the district, except certain exempt property. Assessed values are established by the County Assessor within the prescribed guidelines established by the Oklahoma Tax Commission and the State Equalization Board. The tax is collected by the County Treasurer and remitted to the Authority.

**McCURTAIN COUNTY EMERGENCY MEDICAL SERVICE AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

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The assessed property value as of January 2004 was approximately \$161,396,852 after deducting homestead exemptions.

Taxes are due on November 1 following the levy date, although they may be paid in two equal installments. If the first half is paid prior to January 1, the second half is not delinquent until April 1.

Unpaid delinquent personal property taxes are published usually in May. If the taxes are not paid within 30 days from publication, they are placed on the personal tax lien docket.

Current year tax collections for the year ended June 30, 2005, were approximately 97.54 percent of the tax levy.

**B. Fixed Asset Ledger**

A ledger in which to record the details relating to the fixed assets of the Authority is maintained as required by 19 O.S. § 1718. The fixed assets of the Authority are not included in the Statement of Receipts, Disbursements, and Changes in Cash Balances—General Fund because the statement presents only cash resources of the Authority. Capital acquisition and construction are reflected as capital outlay disbursements in the General Fund. Also, this cash basis presentation does not reflect any depreciation of assets.

The following is a summary of changes in the fixed assets ledger of the Authority during the fiscal year ended:

	<u>Balance</u> <u>07-01-04</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>06-30-05</u>
Land, buildings, and office	\$375,703	\$	\$	\$ 375,703
Equipment	81,018	10,328	11,898	79,448
Emergency vehicles	529,711	73,523	65,825	537,409
Emergency equipment	<u>59,224</u>	<u>4,000</u>		<u>63,224</u>
	<u>\$1,045,656</u>	<u>\$ 87,851</u>	<u>\$ 77,723</u>	<u>\$1,055,784</u>

**C. Capital Leases**

The Authority acquired two ambulances and an office building sub-station through lease-purchase agreements. Providing all leases are renewed each year by the Authority Board, minimum lease commitments under lease-purchase agreements as of June 30, 2005, are as follows:

**McCURTAIN COUNTY EMERGENCY MEDICAL SERVICE AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

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<u>Year Ending</u>	<u>Principal</u>	<u>Imputed Interest</u>	<u>Total</u>
2006	\$48,846	\$11,429	\$60,275
2007	55,781	8,623	64,404
2008	43,455	4,219	47,674
2009	25,851	1,464	27,315
2010	6,198	104	6,302
Total	<u>\$180,131</u>	<u>\$25,839</u>	<u>\$205,970</u>

**4. Pension Plan**

Plan Description. The Authority contributes to the Oklahoma Public Employees Retirement Plan (the Plan), a cost-sharing, multiple-employer defined benefit pension plan administered by the Oklahoma Public Employees Retirement System (OPERS). Benefit provisions are established and amended by the Oklahoma Legislature. The Plan provides retirement, disability, and death benefits to Plan members and beneficiaries. Title 74, Sections 901 through 943, as amended, establishes the provisions of the Plan. OPERS issues a publicly available financial report that includes financial statements and supplementary information. That report may be obtained by writing OPERS, P.O. Box 53007, Oklahoma City, OK 73105 or by calling 1-800-733-9008.

Funding Policy. The contribution rates for each member category are established by the Oklahoma Legislature and are based on an actuarial calculation which is performed to determine the adequacy of contribution rates. Authority employees are required to contribute between 3.5% and 8.5% of earned compensation. The Authority contributes between 5.0% and 10.0% of earned compensation. The Authority's contributions to the Plan for the years ending June 30, 2005, 2004, and 2003, were \$31,684, \$31,683, and \$32,539, respectively, equal to the required contributions for each year.

**5. Other Post Employment Benefits (OPEB)**

In addition to the pension benefits described in the Pension Plan note, OPERS provides post-retirement health care benefits of up to \$105 each for retirees who are members of an eligible group plan. These benefits are funded on a pay-as-you-go basis as part of the overall retirement benefit. OPEB expenditure and participant information is available for the state as a whole; however, information specific to the Authority is not available nor can it be reasonably estimated.

## **SUPPLEMENTARY INFORMATION**



**McCURTAIN COUNTY EMERGENCY MEDICAL SERVICE AUTHORITY**  
**COMPARATIVE SCHEDULE OF RECEIPTS, EXPENDITURES, AND**  
**CHANGES IN CASH BALANCES—**  
**BUDGET AND ACTUAL—BUDGETARY BASIS—GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	General Fund			
	Original Budget	Final Budget	Actual	Variance
Beginning Cash Balances	<u>\$ 612,411</u>	<u>\$ 612,411</u>	<u>\$ 612,411</u>	<u>\$ -</u>
Beginning Cash Balances, Budgetary Basis	<u>612,411</u>	<u>612,411</u>	<u>612,411</u>	<u>-</u>
Receipts:				
Ad Valorem Taxes	440,173	440,173	454,765	14,592
Charges for Services	372,866	372,866	959,250	586,384
Miscellaneous Revenues	<u>9,190</u>	<u>9,190</u>	<u>11,441</u>	<u>2,251</u>
Total Receipts, Budgetary Basis	<u>822,229</u>	<u>822,229</u>	<u>1,425,456</u>	<u>603,227</u>
Expenditures:				
Personal Services	1,030,951	1,030,951	940,111	90,840
Travel	4,000	4,000	2,030	1,970
Maintenance and Operations	234,860	234,860	219,395	15,465
Capital Outlay	57,000	57,000	56,856	144
Audit Budget Account	16,140	16,140	12,571	3,569
Other	<u>91,689</u>	<u>91,689</u>	<u>68,897</u>	<u>22,792</u>
Total Expenditures, Budgetary Basis	<u>1,434,640</u>	<u>1,434,640</u>	<u>1,299,860</u>	<u>134,780</u>
Excess of Receipts and Beginning Cash Balances Over Expenditures, Budgetary Basis	<u>\$ -</u>	<u>\$ -</u>	738,007	<u>\$ 738,007</u>
Reconciliation to Statement of Receipts, Disbursements, and Changes in Cash Balances Ending Cash Balance			<u>\$ 738,007</u>	

See independent auditor's report.

The accompanying notes to the supplementary information are an integral part of this schedule.

**McCURTAIN COUNTY EMERGENCY MEDICAL SERVICE AUTHORITY**  
**NOTES TO SUPPLEMENTARY INFORMATION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

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Oklahoma Statutes require the Authority to prepare a formal budget for the general fund and other funds as the Board of Trustees may require. The budget presented for the general fund includes the originally approved budgeted appropriations for expenditures and final budgeted appropriations as adjusted for supplemental appropriations and approved transfers between budget categories.

The Comparative Schedule of Receipts, Expenditures, and Changes in Cash Balances—Budget and Actual—Budgetary Basis—General Fund presents comparisons of the legally adopted budget with actual data. The "actual" data, as presented in the comparison of budget and actual, will differ from the data as presented in the Statement of Receipts, Disbursements, and Changes in Cash Balances because of adopting certain aspects of the budgetary basis of accounting and the adjusting of encumbrances and outstanding warrants to their related budget year.

## **INTERNAL CONTROL AND COMPLIANCE SECTION**



**STATE OF OKLAHOMA**  
**OFFICE OF THE AUDITOR AND INSPECTOR**

Steve Burrage, CPA  
State Auditor and Inspector

**Report on Internal Control Over Financial Reporting and on Compliance and  
Other Matters Based on an Audit of Financial Statements Performed in Accordance With  
*Government Auditing Standards***

TO THE BOARD OF TRUSTEES OF THE  
McCURTAIN COUNTY EMERGENCY MEDICAL SERVICE AUTHORITY

We have audited the Statement of Receipts, Disbursements, and Changes in Cash Balances—General Fund of McCurtain County Emergency Medical Service Authority, as of and for the year ended June 30, 2005, which comprises the McCurtain County Emergency Medical Service Authority's basic financial statement, prepared using accounting practices prescribed or permitted by Oklahoma state law, and have issued our report thereon dated July 14, 2008. The report on the Statement of Receipts, Disbursements, and Changes in Cash Balances was adverse because the statement is not a presentation in conformity with accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered McCurtain County Emergency Medical Service Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statement and not to provide an opinion on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Authority's ability to initiate, record, process, and report financial data consistent with the assertions of management in the financial statement. The reportable condition is described in the accompanying schedule of findings and responses as item 2005-1.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statement being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider the reportable condition described above to be a material weakness.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether McCurtain County Emergency Medical Service Authority's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards*, which is described in the accompanying schedule of findings and responses as item 2005-2.

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., section 24A.1 et seq.), and shall be open to any person for inspection and copying.



MICHELLE R. DAY, Esq.  
Deputy State Auditor and Inspector

July 14, 2008

**McCURTAIN COUNTY EMERGENCY MEDICAL SERVICE AUTHORITY  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

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**Findings related to the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards**

**Finding 2005-1 - Segregation of Duties (Repeat Finding)**

Criteria: Segregation of duties over asset custody, transaction authorization, bookkeeping, and reconciliation are important elements of effective internal control over government assets and resources.

Condition: The limited number of office personnel within the Authority office prevents a proper segregation of accounting functions, which is necessary to assure adequate internal control structure.

Effect: This condition could result in unrecorded transactions, misstated financial reports, undetected errors, or misappropriation of assets.

Recommendation: We recommend management be aware of this condition and realize the concentration of duties and responsibilities in a limited number of individuals is not desired from a control point of view. The most effective controls lie in management's knowledge of office operations and a periodic review of operations.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. Management does have knowledge of office operations and will perform a periodic review of these operations.

**Finding 2005-2 – Lease-Purchase Agreements**

Criteria: The Constitution of Oklahoma, Article 10, § 9.C.b. states that, "Any district board of trustees may issue bonds, if approved by a majority vote at a special election for such purpose. All registered voters within the designated district shall have the right to vote in said election. Such bonds shall be issued for the purpose of acquiring emergency vehicles and other equipment and maintaining and housing the same."

Condition: The Authority entered into a lease-purchase agreement without a non-appropriation clause, which is a violation of the Oklahoma Constitution. The lease-purchase was for a 2000 Freightliner F60 Advanced Life Support Ambulance, an office building sub-station, and a 2005 Ford tailor made ambulance.

Effect: This condition results in the Authority incurring long-term obligations without a vote of the citizens.

**McCURTAIN COUNTY EMERGENCY MEDICAL SERVICE AUTHORITY  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

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Recommendation: Without a non-appropriation cause, we recommend that the Authority acquire emergency vehicles and buildings in accordance with the provisions of Article 10, § 9.C.b. of the Oklahoma Constitution.

Views of responsible officials and planned corrective actions: Management concurs with the State Auditor's findings. Future ambulances and buildings will be purchased in accordance with the Constitution.



**OFFICE OF THE STATE AUDITOR AND INSPECTOR  
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