

**MURRAY COUNTY  
EMERGENCY  
MEDICAL SERVICE  
DISTRICT**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2008**

**EMS AGREED-UPON PROCEDURES**



Oklahoma State Auditor  
& Inspector

**MURRAY COUNTY EMERGENCY MEDICAL SERVICE DISTRICT  
AGREED-UPON PROCEDURES REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

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# STATE AUDITOR AND INSPECTOR

STEVE BURRAGE, CPA  
State Auditor

MICHELLE R. DAY, ESQ.  
Chief Deputy



2300 N. Lincoln Boulevard State Capitol, Room 100 Oklahoma City, OK 73105-4801 Phone (405) 521-3495 Fax (405) 521-3426 www.sai.ok.gov

December 21, 2010

## TO THE BOARD OF TRUSTEES OF THE MURRAY COUNTY EMERGENCY MEDICAL SERVICE DISTRICT

Transmitted herewith is the agreed-upon procedures report for the Murray County Emergency Medical Service District for the fiscal year ended June 30, 2008. 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  
MURRAY COUNTY EMERGENCY MEDICAL SERVICE DISTRICT

We have performed the procedures enumerated below, which were agreed to by management of the Murray 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 fiscal year ended June 30, 2008. 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 receipting and depositing functions within the District office were not performed by separate employees.

2. We selected 10 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. If a payment was received:
    - i. Trace receipt number from billing records to receipt.
    - ii. Trace receipt to deposit slip.
    - iii. Agree cash/check composition of deposits to the receipts issued.
    - iv. Examine receipts to determine they are pre-numbered and issued in numerical order.
    - v. Agree date of receipts to date of deposit slip.
    - vi. For any voided receipts, observe the original receipt.
  - E. If no payment was received:
    - i. Observe second billing and or list sent to collection agency if no payment was received.
    - ii. Observe District Board authorization in the Board minutes if the amount was written off.

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**Finding:** The following was noted:

- With respect to procedure B, there was one run for which an incorrect fee was charged.
- With respect to procedure D.vi, there was one voided receipt for which the original receipt could not be located.

With respect to applying the remaining procedures, 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 procedure.

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

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

5. We calculated 100% of the District's cash/cash equivalents and 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.

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

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

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

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

**Finding:** The receiving of goods and services, preparation of claims, and issuing payment functions within the District office were not performed by separate employees.

8. We 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 Board minutes.
- E. Determine expenditure was for the support, organization, operation and maintenance of the District.

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**Finding:** The following was noted:

- With respect to procedures A and B, 10 checks had purchase orders with no supporting documentation attached.
- With respect to procedure C, 20 checks did not have a corresponding receiving report or invoice with an employee signature indicating the goods had been received by the District.
- With respect to procedure E, 11 checks were for expenditures that did not appear to be for the support, organization, operation and maintenance of the District.

With respect to applying the remaining procedures, there were no findings.

9. We selected five payroll checks in order to:
- A. Agree number of hours documented on timesheet to number of hours paid.
  - B. Agree withholding to supporting documentation.
  - C. Trace claim approval to the Board minutes.

**Finding:** With respect to procedure B, the District did not maintain supporting documentation for all withholdings that were taken out of one employee's check.

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

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

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

11. We 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, we noted for the June 28, 2008 payroll, the timesheet for one employee did not have an employee signature.

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

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

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**Finding:** The Policy and Procedures Manual states in part, “On each anniversary date (starting with the employee’s first year) an employee will be given vacation...” Of the five employees selected, the following was noted:

- One employee’s anniversary date was July 23 and leave accrual was given in April.
- One employee’s anniversary date was May 18 and leave accrual was not given until June.

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

13. We obtained the District’s Estimate of Needs and the Publication Notice of the Estimate of Needs to observe 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.

14. For equipment inventory we:
- A. Observed the existence of an equipment inventory list.
  - B. Observed and visually verified the existence of 10 items from the inventory list.
  - C. Observed all ambulances on the inventory list for existence.

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

15. 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.

**Finding:** We observed proof of publication of the bid for the purchase of an ambulance. However, while reviewing the District Board minutes for approval and justification of awarding the bid to a bidder other than the lowest bidder, it was noted that the minutes do not document why the bid was awarded to someone other than the lowest bidder. The minutes only state that a motion was made to accept the bid as the best bid.

16. We inspected 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 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.

**MURRAY COUNTY EMERGENCY MEDICAL SERVICE DISTRICT  
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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

November 24, 2010





**OFFICE OF THE STATE AUDITOR AND INSPECTOR  
2300 N. LINCOLN BOULEVARD, ROOM 100  
OKLAHOMA CITY, OK 73105-4896**

**[WWW.SAI.OK.GOV](http://WWW.SAI.OK.GOV)**