



MUSKOGEE COUNTY EMERGENCY MEDICAL SERVICE DISTRICT

Statutory Report

For the fiscal year ended June 30, 2021

Cindy Byrd, CPA
State Auditor & Inspector

**MUSKOGEE COUNTY EMERGENCY MEDICAL SERVICE DISTRICT
STATUTORY REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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June 10, 2024

**TO THE BOARD OF DIRECTORS OF THE
MUSKOGEE COUNTY EMERGENCY MEDICAL SERVICE DISTRICT**

Transmitted herewith is the audit report of Muskogee County Emergency Medical Service District for the fiscal year ended June 30, 2021.

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

**MUSKOGEE COUNTY EMERGENCY MEDICAL SERVICE DISTRICT
STATUTORY REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Presentation of Collections, Disbursements, and Cash Balances of District Funds for FY 2021

	<u>Operations Fund</u>	<u>Employee Benefit Fund</u>	<u>Public Relations Fund</u>
Beginning Cash Balance, July 1	\$ 6,417,471	\$ 777,983	\$ 9,778
Collections			
Ad Valorem Tax	1,660,644	-	-
Charges for Services	9,351,093	-	-
Miscellaneous	1,082,571	18,732	1,002
Coronavirus Relief Fund (CRF) - CARES Act	142,457	-	-
Regional Medical Response System (RMRS)	415,435	-	-
Contribution from Other Funds - Transfer In	-	2,439,908 *	-
Total Collections	<u>12,652,200</u>	<u>2,458,640</u>	<u>1002</u>
Disbursements			
Personal Services	11,010,853	-	-
Travel	10,200	-	-
Maintenance and Operations	1,811,503	7,305	9,970
Capital Outlay	654,749	-	-
Contract Services	107,371	-	-
RMRS Contract	377,668	-	-
Audit Expense	35,698	-	-
Total Disbursements	<u>14,008,042</u>	<u>7,305</u>	<u>9,970</u>
Ending Cash Balance, June 30	<u>\$ 5,061,629</u>	<u>\$ 3,229,318</u>	<u>\$ 810</u>

*The Muskogee County Emergency Medical Service District has a self-funded Group Benefits Trust Plan. The Group Benefits Trust Plan is presented above as the Employee Benefit Fund, formerly named the Group Benefits Trust Fund. Funding for the Group Benefits Trust Plan is derived from Operations Fund disbursements.

Presented for informational purposes.

**MUSKOGEE COUNTY EMERGENCY MEDICAL SERVICE DISTRICT
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Description of Funds

The Muskogee County Emergency Medical Service District (the District) uses funds to report on receipts, disbursements, and changes in cash balances.

Following are descriptions of the District's funds within the Presentation of Collections, Disbursements, and Cash Balances of District Funds:

Operations Fund – accounts for ad valorem tax collections and charges for service revenue to be used for the general operations the emergency medical service district.

Employee Benefit Fund – accounts for the monies derived from the Operating Fund and disbursements to be used for the health care related expenditures as allowed by the provisions of the health care service agreement for the District's self-funded insurance plan. The District renamed the Group Benefits Trust Fund to the Employee Benefit Fund in May 2021.

Public Relations Fund – accounts for donations to be utilized for community awareness of the District's activities and programs.

Regional Medical Response System (RMRS)

Money received from the Oklahoma State Department of Health (OSDH) for the development and management of Regional Healthcare Coalitions The RMRS works with healthcare systems to provide a comprehensive, uniform, and consistent framework and infrastructure for response and recovery efforts. The District received \$415,435 in reimbursements and disbursed \$377,668.

Coronavirus Aid, Relief, and Economic Security (CARES) Act – OKAMA

Coronavirus Relief Fund (CRF) – CARES Act – Money distributed to the State of Oklahoma to provide direct federal assistance to state governments, with consideration for local governments. The State of Oklahoma allocated \$5 million of CRF to the Oklahoma Ambulance Association (OKAMA) to distribute to licensed ambulance services across the state. The funds were to be used to reimburse ambulance services for unanticipated expenses in staffing, personal protective equipment (PPE), medical supplies, and lost insurance coverage due to COVID-19. The District received \$142,457 for the fiscal year.

Presented for informational purposes.



Muskogee County Emergency Medical Service District
200 Callahan Street
Muskogee, Oklahoma 74403

**TO THE BOARD OF DIRECTORS OF THE
MUSKOGEE 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 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, 2021 were secured by pledged collateral.
- Determined disbursements were properly supported, were made for purposes outlined in 19 O.S. § 1710.1, and were accurately reported in the accounting records.
- Determined all purchases requiring bids complied with 19 O.S. § 1723 and 61 O.S. §101-139.
- Determined payroll expenditures were accurately reported in the accounting records and supporting documentation of leave records was maintained.
- Determined fixed assets records were properly maintained.
- Determined compliance with contract service providers.
- Determined whether the District's collections, disbursements, and cash balances for the fiscal year ended June 30, 2021 were accurately presented on the estimate of needs.

All information included in the records of the District is the representation of the Muskogee 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 Muskogee 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 Muskogee 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

February 15, 2024

**MUSKOGEE COUNTY EMERGENCY MEDICAL SERVICE DISTRICT
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SCHEDULE OF FINDINGS AND RESPONSES

Finding 2021-002 – Lack of Internal Controls and Noncompliance Over the Public Construction Contracts

Condition: Upon inquiry of the Muskogee County Emergency Medical Service District (the District) Director, observation of board meeting minutes, bid packets and the test of the public construction contracts, the following exception was noted:

- A bid was awarded in the amount of \$73,572 for a building extension at the Haskell location; however, the District could not provide evidence that they obtained bid bonds, irrevocable letters of credit, certified checks or cashier's checks equal to 5% of the bid in compliance with state statutes.

Cause of Condition: Policies and procedures have not been designed and implemented to ensure that disbursements for construction or improvements of public buildings or improvements to real property are competitively bid in compliance with the state statute.

Effect of Condition: This condition resulted in noncompliance with the state statutes regarding bid bonds.

Recommendation: The Oklahoma State Auditor and Inspector's Office (OSAI) recommends the District provide evidence of all vendor solicitations, bids, bid bonds and tabulation of bids for construction projects to determine compliance with the competitive bidding procedures outlined in 61 O.S. § 101-139.

Management Response:

Chairman of the Board: Throughout the pandemic, we faced difficulties in procuring services for our essential station repair and renovation project. Despite numerous bidding attempts spanning several months without success, following our final attempt we ultimately selected a bid from a local company that did not include a bond. This decision was based on the limited alternatives available to us at the time due to the pandemic-related constraints, as well as the time constraints we were under.

Auditor Response: Construction projects should follow the competitive bidding procedures outlined in 61 O.S. § 101-139.

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 quasigovernmental entities.

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The GAO Standards – Section 2 – Objectives of an Entity - OV2.23 states in part:

Compliance Objectives

Management conducts activities in accordance with applicable laws and regulations. As part of specifying compliance objectives, the entity determines which laws and regulations apply to the entity. Management is expected to set objectives that incorporate these requirements.

Title 61 O.S. § 107 (A) states in part:

“A. A bidder on a public construction contract exceeding Fifty Thousand Dollars (\$50,000.00) shall accompany the bid with:

1. A certified check, cashier's check or bid bond equal to five percent (5%) of the bid, which shall be deposited with the awarding public agency as a guaranty; or
2. An irrevocable letter of credit containing terms the Construction and Properties Division of the Office of Management and Enterprise Services prescribes, issued by a financial institution insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation for the benefit of the state, on behalf of the awarding public agency, in an amount equal to five percent (5%) of the bid. The awarding public agency shall deposit the irrevocable letter of credit with the Division.

Title 61 O.S. § 112 states.

“All bids, both successful and unsuccessful, and all contracts and required bonds shall be placed on file and maintained in the main office of the awarding public agency for a period of five (5) years from the date of opening of bids or for a period of three (3) years from the date of completion of the contract, whichever is longer, shall be open to public inspection and shall be matters of public record.”

O·K·L·A·H·O·M·A
SAI
STATE AUDITOR & INSPECTOR



Cindy Byrd, CPA | State Auditor & Inspector

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