

STATUTORY REPORT

ROGER MILLS COUNTY EMERGENCY MEDICAL SERVICE DISTRICT

For the fiscal year ended June 30, 2017



*Independently serving the citizens of
Oklahoma by promoting the
accountability and fiscal integrity of
governmental funds.*



Oklahoma State
Auditor & Inspector
Gary A. Jones, CPA, CFE

**ROGER MILLS COUNTY EMERGENCY MEDICAL SERVICE DISTRICT
STATUTORY REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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Oklahoma State Auditor & Inspector

2300 N. Lincoln Blvd. • State Capitol, Room 100 • Oklahoma City, OK 73105 • Phone: 405.521.3495 • Fax: 405.521.3426

December 20, 2017

**TO THE BOARD OF DIRECTORS OF THE
ROGER MILLS COUNTY EMERGENCY MEDICAL SERVICE DISTRICT**

Transmitted herewith is the audit report of Roger Mills County Emergency Medical Service District for the fiscal year ended June 30, 2017.

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 "Gary A. Jones". The signature is written in a cursive, flowing style.

GARY A. JONES, CPA, CFE
OKLAHOMA STATE AUDITOR & INSPECTOR

**ROGER MILLS COUNTY EMERGENCY MEDICAL SERVICE DISTRICT
STATUTORY REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Presentation of Collections, Disbursements, and Cash Balances of District Funds for FY 2017

	<u>FY 2017</u>
Beginning Cash Balance, July 1	\$ 1,312,365
Collections	
Ad Valorem Tax	647,858
Miscellaneous	3,319
Total Collections	<u>651,177</u>
Disbursements	
Contract Service for Clerk	3,600
Service Provider Contract	432,000
Maintenance and Operations	10,928
Capital Outlay	2,604
Audit Expense	-
Total Disbursements	<u>449,132</u>
Ending Cash Balance, June 30	<u>\$ 1,514,410</u>

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



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Roger Mills County Emergency Medical Service District
P.O. Box 992
Cheyenne, Oklahoma 73628

TO THE BOARD OF DIRECTORS OF THE ROGER MILLS COUNTY EMERGENCY MEDICAL SERVICE DISTRICT

For the purpose of complying with 19 O.S. § 1706.1, we have performed the following procedures:

- 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 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.
- 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 FY 2017 were accurately presented on the estimate of needs.

All information included in the records of the District is the representation of the Roger Mills 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 Roger Mills 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 Roger Mills County Emergency Medical Service District. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

A handwritten signature in blue ink that reads "Gary A. Jones". The signature is fluid and cursive, with a long horizontal stroke at the end.

GARY A. JONES, CPA, CFE
OKLAHOMA STATE AUDITOR & INSPECTOR

December 6, 2017

**ROGER MILLS COUNTY EMERGENCY MEDICAL SERVICE DISTRICT
STATUTORY REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

SCHEDULE OF FINDINGS AND RESPONSES

Finding 2017-1 – Inadequate Internal Controls Over Fixed Assets Inventory

Condition: Upon inquiry of the District Board, we determined the District purchases fixed assets for the use of the contract service provider. Observation of the District’s accounting for fixed assets, and the test of fixed assets, reflected the following weaknesses in the safeguarding of those fixed assets:

- The District has not established a policy regarding the minimum dollar threshold for fixed asset items.
- Evidence of a verification of fixed assets inventory being performed annually was not maintained.
- The inventory list provided to the auditor was incomplete regarding serial numbers or VIN numbers and original cost of each item.

Cause of Condition: Policies and procedures have not been designed and implemented to maintain an updated fixed asset list and to perform annual physical fixed assets inventory verification.

Effect of Condition: Failure to provide adequate internal controls over fixed assets could result in inaccurate inventory records, unauthorized use of inventory, or misappropriation of inventory items.

Recommendation: OSAI recommends the District implement internal controls over the safeguarding of fixed assets by establishing polices to determine the threshold for fixed assets and by maintaining a current and complete inventory that includes the serial numbers or VIN numbers of inventory items. OSAI also recommends an annual physical inventory verification of fixed assets be performed and documentation be retained of the physical count.

Management Response:

Board Chairman: The Board intends to place on the Agenda of the next Board meeting a recommendation to have a minimum dollar threshold for fixed asset items of \$500. Also, the Board intends to place on the Agenda of the next Board meeting, a recommendation to amend the contract with the service provider to include maintaining a current and complete inventory that includes the serial numbers or VIN numbers of inventory items in addition to performing and submitting to the Board a fixed asset inventory annually, containing evidence of the inventory verification performed.

Criteria: An important aspect of internal controls is the safeguarding of assets. Internal controls over safeguarding of assets constitute a process affected by an entity’s governing body, management, and other personnel, designed to provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of fixed assets and safeguard assets from loss, damage, or misappropriation.



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