

**WOODWARD  
COUNTY  
EMERGENCY  
MEDICAL SERVICE  
DISTRICT**

**FOR THE PERIOD JULY 1, 2006  
THROUGH JUNE 30, 2008**

**AGREED-UPON PROCEDURES REPORT**



Oklahoma State Auditor  
& Inspector

**WOODWARD COUNTY EMERGENCY MEDICAL SERVICE DISTRICT  
AGREED-UPON PROCEDURES REPORT  
FOR THE PERIOD JULY 1, 2006 THROUGH JUNE 30, 2008**

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This publication is printed and issued by the State Auditor and Inspector as authorized by Article 10, § 9C (i) of the Oklahoma Constitution and as defined by 19 O.S. § 1704.3. Pursuant to 74 O.S. § 3105.B, ten (10) copies have been prepared and distributed at a cost of \$24.22. Copies have been deposited with the Publications Clearinghouse of the Oklahoma Department of Libraries.

# STATE AUDITOR AND INSPECTOR

STEVE BURRAGE, CPA  
State Auditor

MICHELLE R. DAY, ESQ.  
Chief Deputy



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February 5, 2009

TO THE BOARD OF TRUSTEES OF THE  
WOODWARD COUNTY EMERGENCY MEDICAL SERVICE DISTRICT

Transmitted herewith is the agreed-upon procedures report for the Woodward County Emergency Medical Service District for the period July 1, 2006 through 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

**WOODWARD COUNTY EMERGENCY MEDICAL SERVICE DISTRICT  
FOR THE PERIOD JULY 1, 2006 THROUGH JUNE 30, 2008**

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**INTRODUCTION**

Article 10, § 9C of the Oklahoma Constitution authorized the formation of emergency medical service districts and initially authorized a tax levy not to exceed 3 mills for the purpose of providing funds for the purpose of support, organization, operation, and maintenance of district ambulance services. District voters approved the formation of the district and a 3.14 mills ad valorem levy to support the operation of the District. The Woodward County Emergency Medical Service District is comprised of Woodward 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.

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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

TO THE BOARD OF TRUSTEES OF THE  
WOODWARD COUNTY EMERGENCY MEDICAL SERVICE DISTRICT

We have performed the procedures enumerated below, which were agreed to by management of the Woodward 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 period July 1, 2006 through 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.

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

2. Randomly select 60 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. Trace receipt number from billing records to receipt.
  - E. Trace receipt to deposit slip.
  - F. Agree cash/check composition of deposits to the receipts issued.
  - G. Examine receipts to determine they are pre-numbered and issued in numerical order.
  - H. Agree date of receipts to date of deposit slip.
  - I. For any voided receipts, observe the original receipt.
  - J. Observe second billing and or list sent to collection agency if no payment was received.
  - K. Observe District Board authorization in the Board minutes if the amount was written off.

**Finding:** The selection of 60 runs revealed that receipts were not deposited on a daily basis in 38 instances as follows:

- Seven receipts were deposited four business days later than issued.
- Thirteen receipts were deposited three business days later than issued.
- Four receipts, two of which were cash receipts, were deposited five business days plus the weekend later.
- Fourteen receipts were deposited one business day plus the weekend later.

**Recommendation:** OSAI recommends daily deposit of receipts for more effective safeguard controls over cash.

**Views of responsible officials and planned corrective actions:** Management is aware of the problem, and will ensure the problem is corrected.

With the exception of procedure H, all other procedures applied produced 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 procedures.

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 procedures.

5. We compared District cash/cash equivalents in each financial institution to the fair market value of each financial institution's pledged collateral at January and June.

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

6. We traced amounts of ad valorem taxes remitted from the County Treasurer to the District to District deposit slips.

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

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

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

8. Randomly select 40 warrants 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 District Board minutes.

**Finding:** The following was noted:

- Three of the 40 warrants observed had no evidence that the goods or services were received.
- Six of the 40 warrants observed were for meal reimbursements on a one day trip; one of the six warrants had mileage reimbursement, but did not list the nature of travel.

**Recommendation:** OSAI recommends all receiving reports and/or invoices of goods and or services received be signed by a District employee to verify that goods or services were received. Also, reimbursement of meals and mileage should be contingent on a claim complete with a description of reason for travel.

**Views of responsible officials and planned corrective actions:** Management is aware of the problem and will ensure the problem is corrected.

With respect to procedures A, B and D, there were no findings.

- 9. We observed each Board member's coverage for Official Bond was included in the District's insurance policy.

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

- 10. Randomly select one payroll period in order to:
  - A. Observe whether all employees prepared timesheets.
  - B. Inspect timesheets for signatures of employees and supervisors.

**Finding:** Timesheets were prepared by all employees; however, the following was noted:

- Three of the 29 timesheets observed did not have the employee's signature, but did have the supervisor's signature.
- Ten of the 29 timesheets observed did not have the supervisor's signature, but did have the employee's signature.
- Fifteen of the 29 timesheets observed did not have the employee's or the supervisor's signature.

**Recommendation:** OSAI recommends all timesheets be signed by the employee and the supervisor, and reviewed for accuracy to ensure a fair and accurate record of hours worked for payment and any leave taken for the month.

**Views of responsible officials and planned corrective actions:** Management is aware of the problem and will ensure the problem is corrected.



11. We selected (100%) of employees from the payroll records and:
  - A. Compared leave amounts earned to the District's policy for earning leave.
  - B. Compared leave balances to the District's policy for limitations on leave balances.
  - C. Traced annual leave used on the employee's timesheet (or payroll claim) to the respective monthly leave balance report.

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

12. We observed the publication notice of the District's Estimate of Needs and whether the District's expenditures exceeded its appropriations in budget category.

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

13. We confirmed whether the District's policy regarding safeguarding of capital assets is in accordance with the following criteria:
  - A. Observe the existence of an equipment inventory list.
  - B. Observe documentation of the conduct of a physical inventory.

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

14. We selected one claim in excess of \$7,500 to confirm bidding requirements were met.

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

15. We observed insurance policies for the existence of coverage of capital assets.

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

16. We obtained Board minutes and reviewed for any significant items to follow up in other procedures.

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 cash, receipts, disbursements, personnel costs, capital assets, and long-term debt 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.

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 6, 2008



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