

Sterling Joint Ambulance District
Madison County
Agreed-Upon Procedures
For the Years Ended December 31, 2011 and 2010





Dave Yost • Auditor of State

Board of Trustees
Sterling Joint Ambulance District
5650 Dyer Road
Mount Sterling, Ohio 43143

We have reviewed the *Independent Accountants' Report on Applying Agreed Upon Procedures* of the Sterling Joint Ambulance District, Madison County, prepared by Millhuff-Stang, CPA, Inc., for the period January 1, 2010 through December 31, 2011. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Sterling Joint Ambulance District is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

November 29, 2012

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Madison County
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Independent Accountants' Report on Applying Agreed-Upon Procedures

Sterling Joint Ambulance District
Madison County
5650 Dyer Road
Mount Sterling, Ohio 43143

We have performed the procedures enumerated below, with which the Board of Trustees (the Board) and the management of Sterling Joint Ambulance District, Madison County (the District) and the Auditor of State agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2011 and 2010, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. The sufficiency of the procedures is solely the responsibility of the parties specified 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.

This report only describes exceptions exceeding \$10.

Cash and Investments

1. We tested the mathematical accuracy of the December 31, 2011 and December 31, 2010 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2010 beginning fund balances recorded in the cash journal to the December 31, 2009 balances in the prior year Agreed-Upon Procedures working papers. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2011 and 2010 fund cash balances reported in the cash journal. The amounts agreed.
4. We confirmed the December 31, 2011 bank account balances with the District's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2011 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2011 bank reconciliation:
 - a. We traced each debit to the subsequent January bank statement. We found no exceptions.
 - b. We traced the amounts and dates to the cash journal, to determine the debits were dated prior to December 31. We noted no exceptions.

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6. We tested investments held at December 31, 2011 and December 31, 2010 to determine that they:
 - a. Were of a type authorized by Ohio Revised Code Sections 135.13, 135.14 or 135.144. We found no exceptions.
 - b. Mature within the prescribed time limits noted in Ohio Revised Code Section 135.13 or 135.14. We noted no exceptions.

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts

1. We selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2011 and one from 2010:
 - a. We traced the gross receipts from the *Statement* to the amount recorded in the receipts ledger. We also traced the advances noted on the State to the receipts ledger. The amounts agreed.
 - b. We determined whether the receipt was allocated to the proper fund as required by Ohio Revised Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
 - c. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We scanned the receipts ledger to determine whether it included two real estate tax receipts for 2011 and 2010 plus one advance for 2011. We noted the receipts ledger included the proper number of tax receipts for each year.
3. We selected all receipts from the State Distribution Transaction Lists (DTL) from 2011 and all from 2010. We also selected five receipts from the County Auditor's Vendor Audit Trail Report from 2011 and five from 2010.
 - a. We compared the amount from the above reports to the amount recorded in the receipts ledger. The amounts agreed.
 - b. We determined whether these receipts were allocated to the proper funds. We found no exceptions.
 - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Charges for Services

1. We confirmed the amounts paid from Lifeforce Management Inc., the service organization that performs the emergency medical billings, to the District during 2010 with Lifeforce Management Inc. We found no exceptions.
 - a. We determined whether these receipts were allocated to the proper funds. We found no exceptions.
 - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Debt

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of December 31, 2009.
2. We inquired of management, and scanned the receipts ledger and appropriations ledger for evidence of debt issued during 2011 or 2010 or debt payment activity during 2011 or 2010. All debt noted agreed to the summary we used in step 3.
3. We obtained a summary of lease-purchase debt activity for 2011 and agreed principal and interest payments from the related debt amortization schedules to General Fund payments reported in the appropriations ledger. We also compared the date the debt service payments were due to the date the District made the payments. We found no exceptions.
4. For new debt issued during 2011, we inspected the debt legislation, noting the District must use the proceeds to purchase a new ambulance. Per review of lease-purchase documentation, proceeds of the lease-purchase agreement were used to purchase a new ambulance.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2011 and one payroll check for five employees from 2010 from the payroll register and:
 - a. We compared the hours and pay rate, or salary recorded in the payroll register to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
 - b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.
 - c. We determined whether the fund and account codes to which the check was posted were reasonable based on the employees' duties as documented in the employees' personnel files, minute record or as required by statute. We also determined whether the payment was posted to the proper year. We found no exceptions.
2. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2011 to determine whether remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2011. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes and Medicare	January 31, 2012	December 22, 2011	\$2,559.92	\$2,559.92
State income taxes	January 15, 2012	December 21, 2011	1,470.68	1,470.68
City of London	January 30, 2012	December 21, 2011	10.40	10.40
Village of Mount Sterling	January 31, 2012	December 21, 2011	1,442.90	1,442.90
City of Columbus	January 31, 2012	December 21, 2011	172.95	172.95
OPERS retirement	January 31, 2012	December 14, 2011	10,537.39	10,537.39

Non-Payroll Cash Disbursements

1. From the appropriations ledger, we re-footed checks recorded as General Fund disbursements for security of persons and property, for 2011. We found no exceptions.
2. We haphazardly selected ten disbursements from the cash journal for the year ended December 31, 2011 and ten from the year ended December 31, 2010 and determined whether:
 - a. The disbursements were for a proper public purpose. We found no exceptions.
 - b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the cash journal and to the names and amounts on the supporting invoices. We found no exceptions.
 - c. The fiscal officer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Revised Code Section 5705.41(D). We found no exceptions.

Compliance – Budgetary

1. We compared the total estimated receipts from the Amended Official Certificate of Estimated Resources, required by Ohio Revised Code Section 5705.36(A)(1), to the amounts recorded in the receipts ledger for the years ended December 31, 2011 and 2010. The District does not post estimated receipts within its receipts ledger. The Fiscal Officer should include estimated resources within accounting records and maintain a running balance of remaining estimated resources and should periodically compare amounts recorded in the receipts journal to amounts recorded on the amended official certificate of estimated resources to assure they agree. If the amounts do not agree, the trustees may be using inaccurate information for budgeting and monitoring purposes.
2. We scanned the appropriation measures adopted for 2011 and 2010 to determine whether the Trustees appropriated separately for “each office, department, and division, and within each, the amount appropriated for personal services,” as is required by Ohio Revised Code Section 5705.38(C). We found no exceptions.
3. We compared total appropriations required by Ohio Revised Code Sections 5705.38 and 5705.40, to the amounts recorded in the appropriations ledger for 2011 and 2010. The amounts on the appropriation resolutions agreed to the amounts recorded in the appropriations ledger.
4. Ohio Revised Code Sections 5705.36(A)(5) and 5705.39 prohibit appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the years ended December 31, 2011 and 2010. We noted no funds for which appropriations exceeded certified resources.
5. Ohio Revised Code Section 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the years ended December 31, 2011 and 2010 as recorded in the appropriations ledger. We noted no funds for which expenditures exceeded appropriations.
6. Ohio Revised Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We scanned the receipts ledger for evidence of new restricted receipts requiring a new fund during December 31, 2011 and 2010. We also inquired of management regarding whether the District received new restricted receipts. We noted no evidence of new restricted receipts for which Ohio Revised Code Section 5705.09 would require the District to establish a new fund.

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7. We inquired of management and scanned the appropriations ledgers to determine whether the District elected to establish reserve accounts permitted by Ohio Revised Code Section 5705.13. We noted the District did not establish these reserves.

Officials' Response

We did not receive a response from Officials to the exception reported above.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the District's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. 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 management, those charged with governance, the Auditor of State, and others within the District, and is not intended to be, and should not be used by anyone other than these specified parties.



Natalie Millhuff-Stang, CPA
President/Owner
Millhuff-Stang, CPA, Inc.

July 23, 2012

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Dave Yost • Auditor of State

STERLING JOINT AMBULANCE DISTRICT

MADISON COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
DECEMBER 13, 2012**