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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Upper Scioto Valley Ambulance District
Hardin County
P.O. Box 83
Alger, Ohio 45812

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Upper Scioto Valley Ambulance District, Hardin County (the District) 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 Report to the December 31, 2009 balances in the prior year audited statements. 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 Reports. The amounts agreed.
4. We confirmed the December 31, 2011 bank account balances with the District's financial institution. 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 report, to determine the debits were dated prior to December 31. We noted no exceptions.

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Cash and Investments (Continued)

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 Rev. Code Sections 135.13, 135.14 or 135.144. We found no exceptions.
 - b. Mature within the prescribed time limits noted in Ohio Rev. Code Section 135.13 or 135.14. We noted no exceptions.

Property Taxes and Intergovernmental 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 Revenue Ledger Report. The amounts agreed.
 - b. We determined whether the receipt was allocated to the proper fund as required by Ohio Rev. 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 Revenue Ledger Report to determine whether it included two real estate tax receipts for 2011 and 2010. We noted the Revenue Ledger Report included the proper number of tax receipts for each year.
3. We selected five receipts from the State Distribution Transaction Lists (DTL) from 2011 and four from 2010. We also selected four receipts from the County Vendor History Report for 2011 and five from 2010.
 - a. We compared the amount from the above reports to the amount recorded in the Revenue Ledger Report. The amounts agreed.
 - b. We determined whether these receipts were allocated to the proper fund. 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 the Robinaugh EMS, the service organization that performs the emergency medical billings, to the District during 2011 and 2010 with the Robinaugh EMS. During 2011, the amount confirmed from Robinaugh EMS was \$88,674 and the District had receipts of \$88,937 recorded. During 2010, the amount confirmed with Robinaugh EMS was \$82,100 and the District had receipts of \$82,378 recorded. These variances were due to timing differences.
 - a. We determined whether these receipts were allocated to the proper fund. We found no exceptions.
 - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Debt

1. The prior audit documentation disclosed no debt outstanding as of December 31, 2009.
2. We inquired of management, and scanned the Revenue Ledger Report and Appropriation Ledger Report 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 note debt activity for 2011 and 2010 and agreed principal and interest payments from the related loan activity statement to Debt Service Fund payments reported in the Appropriation Ledger Report. We also compared the date the debt service payments were due to the date the District made the payments. We found no exceptions.
4. We agreed the amount of debt proceeds from the debt documents to amounts recorded in the General Fund per the Revenue Ledger Report. The amounts agreed.

Ohio Rev. Code Section 5705.10(E) requires all proceeds from the sale of public obligations to be paid into a special fund for the purpose of such issue. The failure to establish a separate fund to account for the proceeds of debt increases the risk of the improper use of the restricted money.

In the future, the District should establish a separate fund to account for debt proceeds or other restricted receipts.

5. For new debt issued during 2011 and 2010, we inspected the debt legislation, noting the District must use the proceeds to construct an EMS building. We scanned the Appropriation Ledger Report and noted the District constructed an EMS building in 2011.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for one employee from 2011 and one payroll check for one employee from 2010 from the Payroll Sheet and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll Sheet 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 sheet. We found no exceptions.
 - c. We determined whether the account code to which the check was posted was reasonable based on the employees' duties as documented in the minute record. 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 & Medicare	January 31, 2012	January 28, 2012	\$156.60	\$156.60
State income taxes	January 15, 2012	January 15, 2012	\$ 9.75	\$ 9.75
OPERS retirement	January 30, 2012	December 10, 2011	\$108.00	\$108.00

Non-Payroll Cash Disbursements

1. From the Appropriation Ledger Report, we re-footed checks recorded as General Fund disbursements for *medical supplies*, for 2011. We found no exceptions.
2. We haphazardly selected ten disbursements from the Cash Journal Report for the year ended December 31, 2011 and ten from the year ended 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 Report and to the names and amounts on the supporting invoices. We found no exceptions.
 - c. We found four instances where disbursements requiring certification were not certified and one instance where the certification date was after the vendor invoice date, and there was also no evidence that a *Then and Now Certificate* was issued. Ohio Rev. Code Section 5705.41(D) requires certifying at the time of a commitment, which should be on or before the invoice date, unless a *Then and Now Certificate* is used. Because we did not test all disbursements requiring certification, our report provides no assurance whether or not additional similar errors occurred.

Compliance – Budgetary

1. We compared the total estimated receipts from the *Amended Official Certificate of Estimated Resources*, required by Ohio Rev. Code Section 5705.36(A)(1), to the amounts recorded in the Revenue Ledger Report for the General Fund for the years ended December 31, 2011 and 2010. The amounts agreed for 2011. For 2010, the Revenue Ledger Report recorded budgeted (i.e. certified) resources of \$159,120. However, the final *Amended Official Certificate of Estimated Resources* reflected \$160,522. The clerk should periodically compare amounts recorded in the Revenue Ledger Report 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, for the General Fund, the Trustees appropriated separately for “each office, department, and division, and within each, the amount appropriated for personal services,” as is required by Ohio Rev. Code Section 5705.38(C). We found no exceptions.
3. We compared total appropriations required by Ohio Rev. Code Sections 5705.38 and 5705.40, to the amounts recorded in the Appropriation Ledger Report for 2011 and 2010 for the General Fund. The amounts on the appropriation resolutions agreed to the amounts recorded in the Appropriation Ledger Report for 2010. For 2011, the Appropriation Ledger Report recorded appropriations of \$424,020. However, the appropriation resolution reflected \$422,467. The clerk should compare amounts recorded in the Appropriation Ledger Report to amounts recorded on the appropriation resolution to assure they agree. If the amounts do not agree, the Board may be using inaccurate information for budgeting and monitoring purposes.
4. Ohio Rev. Code Sections 5705.36(A)(5) and 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the General Fund for the years ended December 31, 2011 and 2010. We noted no funds for which appropriations exceeded certified resources.

Compliance – Budgetary (Continued)

5. Ohio Rev. 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 for the General Fund as recorded in the Appropriation Ledger Report. We noted no funds for which expenditures exceeded appropriations.
6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We scanned the Revenue Ledger Report 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 Rev. Code Section 5705.09 would require the District to establish a new fund.
7. We scanned the 2011 and 2010 Revenue Ledger Reports and Appropriation Ledger Reports for evidence of interfund transfers which Ohio Rev. Code Sections 5705.14 -- .16 restrict. We found no evidence of transfers these Sections prohibit, or for which Section 5705.16 would require approval by the Tax Commissioner and Court of Common Pleas.
8. We inquired of management and scanned the Appropriation Ledger Reports to determine whether the District elected to establish reserve accounts permitted by Ohio Rev. 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 exceptions 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, and others within the District, and is not intended to be, and should not be used by anyone other than these specified parties.



Dave Yost
Auditor of State

May 11, 2012



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UPPER SCIOTO VALLEY AMBULANCE DISTRICT

HARDIN 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
JUNE 19, 2012