



**MINERAL SANDY JOINT AMBULANCE DISTRICT
TUSCARAWAS COUNTY**

AGREED UPON PROCEDURES

FOR THE YEARS ENDED DECEMBER 31, 2009-2010



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Mineral – Sandy Joint Ambulance District
Tuscarawas County
P.O. Box 454
Mineral City, Ohio 44656

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Mineral – Sandy Joint Ambulance District (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, 2010 and 2009, 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

1. We tested the mathematical accuracy of the December 31, 2010 and December 31, 2009 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2009 beginning fund balances recorded in the Cash Journal to the December 31, 2008 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, 2010 and 2009 fund cash balances reported in the Cash Journal. The amounts agreed.
4. We confirmed the December 31, 2010 bank account balance with the District's financial institution. We found no exceptions.
5. We selected the only outstanding check from the December 31, 2010 bank reconciliation:
 - a. We traced the check to the debit appearing in the subsequent January bank statement. We found no exceptions.
 - b. We traced the amounts and date written to the check register, to determine the check was dated prior to December 31. We noted no exceptions.

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts

1. We selected one property tax receipt from the *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2010 and one from 2009.
 - a. We traced the gross receipts from the *Statement* to the amount recorded in the Receipts Journal. The amounts agreed.
 - b. We determined whether the receipt was allocated to the proper fund(s) 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 Receipts Journal to determine whether it included the proper number of tax receipts for 2010 and 2009:
 - a. Two personal property tax receipts
 - b. Two real estate tax receipts

We noted the Receipts Journal included the proper number of tax settlement receipts for each year.

3. We selected all receipts from the State Distribution Transaction Lists (DTL) from 2010 and all from 2009.
 - a. We compared the amount from the DTL to the amount recorded in the Receipts Journal. The amounts agreed.
 - b. We determined whether these receipts were allocated to the proper fund(s). We found no exceptions.
 - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Charges for Services

We haphazardly selected five receipts recorded in the Cash Receipts Records from the year ended December 31, 2010 and five receipts from the year ended December 31, 2009. We compared the amount billed and debited to accounts receivable for the service to the amount received per the cash receipts records, to the amount credited to accounts receivable, and to the amount deposited to the bank. We also compared the date the payment was recorded in the cash receipts records to the date deposited per the bank statement.

	Amount Billed and Debited to Accounts Receivable	Amount Recorded in Cash Receipts Records, 2010	Amount Credited to Accounts Receivable	Amount Deposited per Bank Statement	Date Recorded in Cash Receipts Records	Date Deposited per Bank Statement
1	\$500.00	\$500.00	\$500.00	\$550.00	2/1/10	2/3/10
2	\$520.00	\$459.74	\$459.74	\$484.74	3/11/10	3/15/10
3	\$580.00	\$464.00	\$464.00	\$605.00	3/30/10	3/31/10
4	\$635.00	\$407.96	\$407.96	\$1,105.36	11/11/10	11/15/10
5	\$695.00	\$532.90	\$532.90	\$1,477.04	12/16/10	12/20/10

	Amount Billed and Debited to Accounts Receivable	Amount Recorded in Cash Receipts Records, 2009	Amount Credited to Accounts Receivable	Amount Deposited per Bank Statement	Date Recorded in Cash Receipts Records	Date Deposited per Bank Statement
6	\$560.00	\$468.34	\$468.34	\$1,637.28	3/22/09	3/30/09
7	\$570.00	\$114.37	\$114.37	\$5,487.65	6/15/09	6/29/09
8	\$510.00	\$105.25	\$105.25	\$105.25	9/24/09	9/28/09
9	\$570.00	\$98.85	\$98.85	\$1,273.85	11/27/09	11/27/09
10	\$500.00	\$103.73	\$103.73	\$544.90	12/30/09	12/31/09

There is a difference in the amounts billed as opposed to the amount received as a receipt. This difference exists because each insurance company determines its own “Allowable” or “Usual and Customary” rate for ambulance services. This practice is customary. Therefore, we do not take exception to the fact that the amounts billed do not agree to the amount recorded in the Cash Receipts Journal.

We noted seven, of the ten receipts tested, were not deposited within 24 hours of receipt. Because we did not test all receipts, our report provides no assurance whether or not additional similar errors occurred.

Debt

1. From the prior audit report, we noted the following loan outstanding as of December 31, 2008. These amounts agreed to the District’s January 1, 2009 balances on the summary we used in step 3.

Issue	Principal outstanding as of December 31, 2008:
Ambulance Loan	\$4,109

2. We inquired of management, and scanned the Cash Journal and Appropriations Ledger for evidence of debt issued during 2010 and 2009 or debt payment activity during 2010 or 2009. There was no debt issued during 2009. All debt noted agreed to the summary we used in step 3.
3. We obtained a summary of note debt activity for 2010 and 2009 and agreed principal and interest payments to debt service 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. We agreed the amount of debt proceeds from the debt documents to amounts recorded in the Debt Service Fund to the Receipts Journal. The truck was financed through The Bank of Magnolia and the District recorded the cashier’s check in the amount of \$36,000 (proceeds/disbursement) to the dealership as a memo entry in the cash journal. We found no exceptions.

5. For new debt issued during 2010, we inspected the debt legislation, noting the District must use the proceeds to purchase a pick-up truck. We noted the District recorded the cashier's check (proceeds/disbursement) in the amount of \$36,000 to the dealership as a memo entry in the cash journal. The truck was financed through The Bank of Magnolia and the balance due at December 31, 2010 was \$24,480.45. We found no exceptions.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for each of the four employees from 2010 and one payroll check for each of the four employees from 2009 from the Payroll Record and determined whether the following information in the minute record was consistent with the information used to compute gross and net pay related to this check:
 - a. Name
 - b. Authorized salary or pay rate
 - c. Retirement system participation and payroll withholding.
 - d. Federal, State & Local income tax withholding authorization and withholding.
 - e. Any other deduction authorizations (deferred compensation, etc.)
 - f. Fund to which the check should be charged.

We found one exception related to the steps above: The Township did not maintain W-4 forms for the Fiscal Officer and the Fire Chief. However, the Payroll Record did disclose federal tax withholdings for this employee. We recommend the District maintain all documentation to support wages paid and deductions withheld.

2. We tested the checks we selected in step 1, as follows:
 - a. We compared the hours and pay rate, or salary amount used in computing gross pay 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 Record. We found no exceptions.
3. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2010 to determine whether remittances were timely paid, and that the amounts paid agreed to the amounts withheld during the final withholding period during 2010. We noted the following:

Withholding	Date Due	Date Paid	Amount Withheld	Amount Paid
Federal income taxes	January 31, 2011	1/3/11	\$120.00	\$120.00
State income taxes	January 15, 2011	1/3/11	\$34.02	\$34.02
OPERS retirement	January 30, 2011	1/3/11	\$37.50	\$37.50

Non-Payroll Cash Disbursements

1. For the Appropriations Ledger, we re-footed checks recorded as General Fund disbursements for *security of persons and property*, for 2010. We found no exceptions.

2. We agreed total disbursements (non-payroll and payroll) from the Appropriations Ledger for the years ended December 31, 2010 and 2009 to the total disbursements recorded in the check register. We found no exceptions.
3. We haphazardly selected ten disbursements from the Appropriations Ledger for the year ended December 31, 2010 and ten from the year ended 2009 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 Appropriations Ledger 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 Rev. Code Section 5705.41(D). We found no exceptions.

Compliance – Budgetary

1. We compared the total from the Amended Official Certificate of Estimated Resources, required by Ohio Rev. Code Section 5705.36(A)(1), to the amounts recorded in the Receipts Journal for the General and Debt Service funds for the years ended December 31, 2010 and 2009. The amounts on the *Certificate* did not agree to the amounts recorded in the Receipts Journal. The Receipts Journal recorded budgeted (i.e. certified) resources for the General Fund of \$40,966 for 2010. However, the final *Amended Official Certificate of Estimated Resources* reflected \$47,819. In addition, the Receipts Journal had \$0 recorded for budgeted (i.e. certified) resources for the General Fund and the Debt Service Fund for 2009. However, the final *Amended Official Certificate of Estimated Resources* reflected \$40,792 and \$5,155, respectively. The fiscal officer 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 2010 and 2009 to determine whether, for the General and Debt Service funds, 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 Section 5705.38 and 5705.40, to the amounts recorded in the Appropriations Ledger for 2010 and 2009 for the following funds: General and Debt Service. The amounts on the appropriation resolutions agreed to the amounts recorded in the Appropriations Ledger report.
4. Ohio Rev. Code Section 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the General and Debt Service funds for the years ended December 31, 2010 and 2009. We noted no funds for which appropriations exceeded certified resources.

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, 2010 and 2009 for the General and Debt Service funds as recorded in the Appropriations Ledger. We noted no funds for which expenditures exceeded appropriations.
6. We scanned the 2010 and 2009 Revenue Journal and the Appropriations Ledger 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.
7. We inquired of management and scanned the Appropriations Ledger 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.

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 and those charged with governance and the Auditor of State and is not intended to be, and should not be used by anyone other than these specified parties.



Dave Yost
Auditor of State

July 28, 2011



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MINERAL-SANDY JOINT AMBULANCE DISTRICT

TUSCARAWAS 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
AUGUST 16, 2011**