



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Arcanum Joint Ambulance District
Darke County
208 South Main Street
PO Box 177
Arcanum, Ohio 45304

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Arcanum 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, 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 Account QuickReport 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 Balance Sheet. The amounts agreed.
4. We confirmed the December 31, 2011 bank account balance 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 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.

One First National Plaza, 130 W. Second St., Suite 2040, Dayton, Ohio 45402
Phone: 937-285-6677 or 800-443-9274 Fax: 937-285-6688

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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 Profit and Loss Detail Report. It was noted that the amounts were posted at net rather than at gross. We recommend that the entity post the tax receipts at gross and then post a "memo" expenditure for the county auditor/treasurer fees.
 - 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 Profit and Loss Detail Report to determine whether it included two real estate tax receipts for 2011 and 2010. We noted the Profit and Loss Detail Report included the proper number of tax receipts for each year.
3. We selected three receipts from the State Distribution Transaction Lists (DTL) from 2011 and three from 2010. We also selected five receipts from the County Auditor's Voucher Payment History from 2011 and five from 2010.
 - a. We compared the amount from the DTL and the County Auditor's Voucher Payment History to the amount recorded in the Profit and Loss Detail 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.

Debt

1. The prior audit report disclosed no debt outstanding as of December 31, 2009.
2. We inquired of management, and scanned the Profit and Loss Detail Report and check register for evidence of debt issued during 2011 or 2010 or debt payment activity during 2011 or 2010. We noted no new debt issuances, nor any debt payment activity during 2011 or 2010.

Non-Payroll Cash Disbursements

1. We selected all four disbursements from the Check Register for the year ended December 31, 2011 and all nine 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 Profit and Loss Detail Report 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 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 accounting system for the years ended December 31, 2011 and 2010. The amounts on the Certificate were not recorded in the accounting system. The entity did not use a Revenue Ledger to record budgeted (i.e. certified) resources for the General Fund in 2011 and 2010. The fiscal officer should use a Revenue Ledger to record the budgeted and actual amount and periodically compare amounts recorded in the Revenue Ledgers to amounts recorded on the *Amended Official Certificate of Estimated Resources* to assure they agree, along with comparing the actual revenue to the Check Register. If the amounts are not recorded, 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 contractual 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 accounting system for 2011 and 2010. The amounts on the appropriation resolutions were not recorded in the accounting system. The fiscal officer should use an Appropriation Ledger to record the appropriations and actual expenditures and periodically compare amounts recorded in the Appropriation Ledgers to amounts recorded on the Appropriations as adopted by the Trustees to assure they agree, along with comparing the actual expenditures to the Check Register. If the amounts are not recorded, the Trustees may be using inaccurate information for budgeting and monitoring purposes.
4. Ohio Rev. Code Section 5705.36(A)(5) and 5705.39 prohibits 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 fund 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, 2011 and 2010. We noted no fund for which expenditures exceeded appropriations.
6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We scanned the Profit and Loss Detail 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 inquired of management and scanned the Profit and Loss Detail Report 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

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts – Step 1.a:

I checked all accounts for 2011 and found that I posted a few deposits at net and not at gross. I wasn't aware that I did this in the previous audit cycle. I'm aware of the correct way to post transactions gross less the deductions.

Compliance-Budgetary – Steps 1 and 3:

During each monthly meeting every board member is given a balance sheet showing all assets and liabilities. A profit and loss statement showing all income and expenses that occurred, and a statement of all transactions that occurred that month. Each board member is given quarterly and yearly accounts reports. Each board member reviews all appropriations and expenditures for each year submitted to the auditor. The District only writes between four and eight checks per year. On the boards meeting on February 8th, the board determined that they are receiving adequate accounting information and passed a motion to continue using the current accounting system for the Arcanum Joint Ambulance District.

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

April 4, 2012



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ARCANUM JOINT AMBULANCE DISTRICT

DARKE 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
MAY 29, 2012