

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

AUDIT REPORT
OF
COUNTY EMERGENCY MEDICAL SERVICE
DELAWARE COUNTY, INDIANA
January 1, 2005 to December 31, 2005



FILED
09/14/2006

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Tim Hutson	01-01-05 to 12-31-06
President of the County Council	Joe Russell	01-01-05 to 12-31-06
President of the Board of County Commissioners	Larry Crouch Thomas Bennington	01-01-05 to 12-31-05 01-01-06 to 12-31-06



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF DELAWARE COUNTY, INDIANA

We have audited the records of the County Emergency Medical Service for the period from January 1, 2005 to December 31, 2005, and certify that the records and accountability for cash and other assets are satisfactory to the best of our knowledge and belief, except as stated in the Audit Results and Comments. The financial transactions of this office are reflected in the Annual Report of Delaware County for the year 2005.

STATE BOARD OF ACCOUNTS

August 10, 2006

COUNTY EMERGENCY MEDICAL SERVICE
DELAWARE COUNTY
AUDIT RESULTS AND COMMENTS

INTERNAL CONTROLS

Controls over the receipting, recording, and accounting for the financial activities were insufficient:

- (1) No reconciliation of the bank account is performed;
- (2) Money received in December 2005 was not receipted to the records until April 2006;
- (3) Errors on reports from the ambulance billing company were not discovered and;
- (4) No detail of transactions was requested from the ambulance billing company.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

BAD DEBTS AND UNCOLLECTIBLE ACCOUNTS

Accounts receivable for emergency medical service billings were deleted from the records. The minutes presented for audit did not indicate approval of the governing body nor does the unit have a written policy for writing off adjustments to record balances. Additionally, documentation was not presented for audit concerning unsuccessful collection procedures prior to adjustments of the records.

The governing body of a governmental unit should have a written policy concerning a procedure for the writing off of bad debts, uncollectible accounts receivable, or any adjustments to record balances.

Documentation should exist for all efforts made by the governmental unit to collect amounts owed prior to any write-offs.

Officials or employees authorizing, directing or executing write-offs or adjustments to records which are not documented or warranted may be held personally responsible. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

COUNTY EMERGENCY MEDICAL SERVICE
DELAWARE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 1, 2006, with Tim Hutson, Director.