

Emergency Medical Services Authority

Compliance Report
Year Ended June 30, 2012

Contents

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards	1 – 2
Independent Auditor's Report on Compliance With Requirements that Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133 and Supplementary Schedule of Expenditures of Federal Awards	3 – 4
Schedule of expenditures of federal awards	5
Notes to the schedule of expenditures of federal awards	6
Summary schedule of prior audit findings	7
Schedule of findings and questioned costs	8 – 9
Corrective action plan	10



**Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in
Accordance With *Government Auditing Standards***

To the Board of Trustees
Emergency Medical Services Authority
Tulsa, Oklahoma

We have audited the financial statements of Emergency Medical Services Authority (the Authority) as of and for the year ended June 30, 2012, and have issued our report thereon dated September 18, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

Management of the Authority is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the Authority in a separate letter dated September 18, 2012.

This report is intended solely for the information and use of management, Board of Trustees and federal awarding agencies and pass through entities and is not intended to be and should not be used by anyone other than those specified parties.

McGladrey LLP

Kansas City, Missouri
September 18, 2012



**Independent Auditor's Report on Compliance With
Requirements That Could Have a Direct and Material
Effect on Each Major Program and on Internal Control
Over Compliance in Accordance With OMB Circular A-133 and
Supplementary Schedule of Expenditures of Federal Awards**

To the Board of Trustees
Emergency Medical Services Authority
Tulsa, Oklahoma

Compliance

We have audited the compliance of Emergency Medical Services Authority (the Authority) with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on the Authority's major federal programs for the year ended June 30, 2012. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Authority's management. Our responsibility is to express an opinion on the Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Authority's compliance with those requirements.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

Internal Control over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Expenditures of Federal Awards

We have audited the basic financial statements of the Authority as of and for the year ended June 30, 2012, and have issued our report thereon dated September 18, 2012, which contained an unqualified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

This report is intended solely for the information and use of management, Board of Trustees and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

McGladrey LLP

Kansas City, Missouri
September 18, 2012

Emergency Medical Services Authority

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012**

Federal Grantor/ Pass-Through Grantor/Program Title	Federal CFDA Number	Grantor's Identifying Number	Expenditures
U.S. Department of Health and Human Services:			
Passed through the Oklahoma Department of Health and Human Services:			
Hospital Preparedness Program	93.889	3409016038	<u>\$ 806,477</u>
U.S. Department of Homeland Security:			
Passed through the Oklahoma Office of Homeland Security:			
Metropolitan Medical Response System	97.071	107.000	1,855
Metropolitan Medical Response System	97.071	233-03-0090	1,038
Metropolitan Medical Response System	97.071	233-02-0091	719
Metropolitan Medical Response System	97.071	129.000	153,239
Metropolitan Medical Response System	97.071	147.001	309,338
Metropolitan Medical Response System	97.071	270.010	3,600
EMS Package Plan	97.073	127.000	227,282
EMS Package Plan	97.073	147.000	8,565
EMS Package Plan	97.073	105.000	<u>19,873</u>
Homeland Security Grant Program Cluster			<u>725,509</u>
COUASI Public Health Project	97.008	150.013	35,225
COUASI Public Health Project	97.008	150.003	81,682
COUASI OKCEM Project	97.008	131.017	<u>43,639</u>
			<u>886,055</u>
			<u><u>\$ 1,692,532</u></u>

See Notes to Schedule of Expenditures of Federal Awards.

Emergency Medical Services Authority

Notes to the Schedule of Expenditures of Federal Awards Year Ended June 30, 2012

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Authority for the year ended June 30, 2012 and is presented on the accrual basis of accounting. All federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies is included in the schedule. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations*. Therefore, some amounts presented in the schedule may differ from the amounts presented in or used in the preparation of the basic financial statements.

Note 2. Significant Accounting Policies

Revenue from federal awards is recognized when the Authority has done everything necessary to establish its right to the revenue. Expenditures of federal awards are recognized in the accounting period when the liability is incurred and approved for reimbursement.

Emergency Medical Services Authority

**Summary Schedule of Prior Audit Findings
Year Ended June 30, 2012**

Finding Number	Comment	Status	Corrective Action or Other Explanation
---------------------------	----------------	---------------	---

Deficiencies in Internal Control

None Reported.

Findings and Questioned Costs for Federal Awards

None Reported.

Emergency Medical Services Authority

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2012**

I. Summary of the Independent Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes No
- Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes No

Type of auditor's report issued on compliance for major programs: Unqualified

- Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? Yes No

Identification of major program:

CFDA Number	Name of Federal Program or Cluster
97.071 and 97.073	Homeland Security Grant Program Cluster
93.889	Hospital Preparedness Program

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? Yes No

(Continued)

Emergency Medical Services Authority

Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2012

- II. Findings Related to the Financial Statement Audit as Required to be Reported in Accordance with Generally Accepted Government Auditing Standards**
 - A. Internal Control**

None reported.
 - B. Compliance Findings**

None reported.
- III. Findings and Questioned Costs for Federal Awards**
 - A. Internal Control**

None reported.
 - B. Instances of Noncompliance**

None reported.

Emergency Medical Services Authority

**Corrective Action Plan
Year Ended June 30, 2012**

Current Finding Number	Comment	Corrective Action Plan	Contact Person	Anticipated Date of Completion
---------------------------------------	----------------	-----------------------------------	-----------------------	---

None reported.