

Audit Proposal
For

MARION COUNTY
AMBULANCE DISTRICT

Hannibal, Missouri

FOR THE YEAR ENDED
DECEMBER 31, 2023

Presented By:

EVERS & COMPANY
Certified Public Accountants, L.L.C.
520 Dix Road
Jefferson City, Missouri 65109

Contact:

Bobbie, J. Redmon-Murray, CPA
Audit Partner
(573) 635-0227

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Evers & Company, CPA's, L.L.C.

Certified Public Accountants and Consultants

Dale A. Siebeneck
Wendy M. Renner
Eldon H. Becker, Jr.
Jessica L. Bridges
Bobbie J. Redmon-Murray
Kevin B. Johnson
Theresa E. Price

February 13, 2024

Marion County Ambulance District
142 Jaycee Drive
Hannibal, MO 63401

Elmer L. Evers, Emeritus
Richard E. Elliott, Emeritus
Jerome L. Kauffman, Emeritus
Keith L. Taylor, Emeritus
Jo L. Moore, Emeritus
Bruce A. Vanderveld, Emeritus

We are pleased to update our understanding of the services we are to provide **Marion County Ambulance District** for the year ended December 31, 2023.

Audit Scope and Objectives

We will audit the basic financial statements, and the disclosures, of **Marion County Ambulance District** as of and for the year ended December 31, 2023. Accounting standards generally accepted in the United States of America (GAAS) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Marion County Ambulance District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Marion County Ambulance District's RSI in accordance with GAAS. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles (GAAP) and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Statement of Revenues Collected and Expenditures Paid – Budget and Actual

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

Auditors' Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Marion County Ambulance District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Other Services

We will also assist in preparing the financial statements of Marion County Ambulance District in conformity with accounting principles generally accepted in the United States of America based on information provided by you. We will also maintain your fixed asset inventory on our depreciation software.

We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America with oversight of those charged with governance.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

Bobbie Murray is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed the total as outlined below. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. Service charges at the rate of 18% annually or 1.5% per month will be applied to all past-due balances. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our reports. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination.

Our fees are based on the assumption that the enclosed checklist of year-end accounting work will be completed, and anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

<u>Financial Statement Audit</u>	
2023	\$15,000

Reporting

We will issue a written report upon completion of our audit of Marion County Ambulance District's financial statements. Our report will be addressed to management and the governing board of Marion County Ambulance District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or withdraw from this engagement.

We appreciate the opportunity to be of service to Marion County Ambulance District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know.

Very truly yours,

EVERS & COMPANY, CPA's, L.L.C.
Jefferson City, Missouri



BOBBIE J. REDMON-MURRAY, CPA
Audit Partner

RESPONSE:

This letter correctly set forth the understanding of **Marion County Ambulance District:**

By: _____ Title: _____

Date: _____

PROFILE OF THE FIRM

Evers & Company began business in 1974 and through steady growth has become a well-known and respected firm in Central Missouri. Our concepts of service are: A professional service can only be acquired from someone who is capable of rendering that service; the successful performance of the service depends on an understanding of the client's business; a professional relationship includes an obligation to raise questions and suggestions; and a professional service includes both promptness and thoroughness in responding to requests from the client.

Our expertise in serving similar organizations and the auditing experience of our partners and professional staff qualifies us to serve as your accountants and auditors. Our philosophy of service requires a close understanding of your business, and an involvement on a regular basis with your management in order to maintain an awareness of your financial and accounting objectives, goals and needs; to assist in developing plans to obtain such goals; and to monitor progress for developments which may affect planning and year-end budgeting.

The size of Evers & Company is important to clients for two reasons. First, the firm is small enough so that our professional staff can maintain an intimate knowledge of a client's business and needs. Second, the firm is large enough to have specialists available in the various disciplines of the profession which include, accounting, auditing, income taxes, management consulting services, and data processing services.

At the present time, the personnel of the firm are as follows:

Partners	7
Professional Staff	17
IS Support Staff	2
Para-Professional Staff	6
Office Support Staff	<u>5</u>
	37

All professional personnel are periodically evaluated for technical competence and are tested as to potential leadership qualities and aptitude. Training is accomplished through outside professional development programs and internal training programs. On the job training is enhanced by the active participation of partners in the planning, review and "problem-solving" phases of our work. The recruiting and retention of top-flight staff personnel is made easier by the knowledge that our staff will be working on a direct interrelationship basis with our partners.

The partners of Evers & Company have both the technical background and the practical business experience required to understand and contribute to client decisions in a consulting capacity. The counsel our clients receive comes from the partners' educational and business backgrounds, supplemented by our experience with a wide spectrum of clients in an almost infinite variety of industries and types of businesses.

PROFILE OF THE FIRM (Cont'd.)

The reputation of our firm is also well known to local attorneys and bankers. If you desire, we would be pleased to furnish a representative list of attorneys and bankers who have personal knowledge of our work.

We attempt at all times to render a quality service for a fair fee. If at any time you have a question concerning our services or fees, please call it to our attention so that we can discuss it. Our goal is to handle fees on an equitable basis, and in an open manner which will result in our mutual agreement.

We appreciate the opportunity to submit this proposal to you. There are many matters which cannot be adequately covered in writing, and we would be pleased to have the opportunity to respond to your questions.

We believe that we are well qualified to serve as your accountant and auditor. If your work is entrusted to us, it will receive our close and continued attention.

The work done on the audit would be performed from our Jefferson City office.

FIRM QUALITY CONTROL

In an effort to maintain the highest possible standards of quality control, our firm promotes continuing professional education programs and seminars. Our professional staff attends conferences and seminars dealing with new auditing standards as they are introduced, and participates in refresher courses to maintain an active, updated knowledge of the standards required by our industry.

We have weekly in-house professional education sessions to introduce our entire firm members to any information learned in outside seminars.

Our audit department in particular, follows a strict program of continuing professional education that involves seminars to keep us knowledgeable in the latest changes in governmental audit standards and the single audit act.

Our firm conducts a yearly Internal Inspection. Selected members of our firm review the audit and accounting procedures that we use on a day-to-day basis to determine if we adhere to the standards set forth by our profession.

Evers & Company also undergoes a voluntary peer review at least once every three years.

The peer review involves an inspection of various accounting and auditing records selected by the peer review committee. These records and our procedures are reviewed to determine if our firm has complied with the standards set forth by our profession and those set forth by the audited industries regulating agencies.

The peer review is a voluntary action that is strongly encouraged by the AICPA. It is a required procedure for any firm wishing to be a member of the Private Companies Practice Section. Many regulating agencies require peer reviews for firms who audit entities receiving Federal Funds.

Our effort to promote continued education for our professional employees, along with our firm's dedication to the highest standards of quality control, combine to provide your organization with the professional advice that they need, to insure that they follow the regulations set up specifically for their organizational type.

SIMILAR EXPERIENCE

NAME

CONTACT

Public Water Supply District #2 Cole County

Randall Kay
(573) 635-7011

Callaway County Water District No. 1

Brad Scrivner
(573) 896-4788

Callaway County Ambulance District

Charles Anderson
(573) 642-7260

PERSONNEL

The following persons will supervise and perform the audit procedures:

BOBBIE MURRAY, CPA – Audit Partner

Bobbie Murray is an Audit Partner in the Jefferson City office of Evers & Company, CPA's. She joined the firm in December 2003. Bobbie graduated from Lincoln University in December of 2001 with a Bachelor of Science degree in Accounting. In May of 2003 she received her Master's in Business Administration with an emphasis in management from Lincoln University. Her major areas of concentration with the firm are audits of not-for-profit organizations and state and local governments and preparation of corporate and not-for-profit tax returns. Bobbie is a member of the American Institute of Certified Public Accountants and the Missouri Society of Certified Public Accountants.

ADRIENNE FINDLEY, CPA – Audit Manager

Adrienne Findley is an Audit Manager in the Jefferson City office of Evers & Company. Adrienne joined the firm in December 2014. She graduated from Lincoln University in December 2014 with a major in Business Administration and Accounting and a minor in Legal Studies. She earned her Masters of Business Administration with an Accounting Emphasis from Columbia College in December 2016 and became a CPA in January 2018. She works on audit reports for for-profit and nonprofit organizations, along with tax return entry for individuals, partnerships, s-corporations, corporations, and nonprofit organizations.

JORDAN FRISBIE – Audit Supervisor

Jordan Frisbie is a Staff Auditor in the Jefferson City office of Evers & Company CPA's. She joined the firm in July 2020. She graduated from Lincoln University with a Bachelor of Science degree in Accounting in May 2019. Jordan earned her Master's degree in Business Administration with an emphasis in accounting in May 2021 and plans to obtain her CPA license. Jordan is currently assigned to the audit team and primarily assists on audit engagements.

PERSONNEL

Cont'd

KELSEY RYERSON – Staff Auditor

Kelsey Ryerson is a Staff Auditor in the Jefferson City office of Evers & Company CPA's. She joined the firm in August 2022. She graduated from the University of Central Missouri with a Bachelor's degree in Business Administration with an emphasis in accounting in May 2022. She plans to attend Lincoln University in 2023 to obtain her Master's degree in Business Administration with an emphasis in accounting. After she graduates, she plans to obtain her CPA license. Kelsey is currently assigned to the audit team and primarily assists on audit engagements.

ADDITIONAL PROFESSIONAL SERVICES

Our firm also has the following services to offer to you:

- General ledger accounting system - computerized
- Help in interviewing and selecting new employees to work in the accounting function
(Testing & Interviewing)
- Fixed asset management
- Data processing consulting services in the following areas:
 - Payroll records and reporting
 - Mailing lists
 - Accounts receivable and billing

PROFESSIONAL ASSOCIATIONS

Dale Siebeneck is a member of the Association of Government Accountants.

The firm is a member of the Government Finance Officers Association.

All Certified Public Accountants in the firm are also members of the American Institute of Certified Public Accountants and our firm is a member of the AICPA Private Company Practice Section. All partners are members of the Missouri Society of Certified Public Accountants.

Evers & Company, CPAs, LLC is a member of the American Institute of Certified Public Accountant's Governmental Audit Quality Center. The Governmental Audit Quality Center (GAQC), which was created in 2004, promotes the importance of quality governmental audits and the value of such audits to purchasers of governmental audit services. GAQC is a voluntary membership center for CPA firms and state audit organizations that perform governmental audits. GAQC was created to, among other things, serve as a comprehensive resource on governmental audits for member firms, create a community of firms that demonstrate a commitment to governmental audit quality, and provide an online forum tool for members to share best practices and discuss governmental audit issues. Membership requires a firm's commitment to audit quality in the critical area of governmental audits, including those performed under *Government Auditing Standards* and the Single Audit Act amendments of 1996 and Title 2 U.S. *Code of Federal Regulators (CFR)*, *Uniform Administrative Requirements Cost Principles*, and *Audit Requirements of Federal Awards* (Uniform Guidance). Additional information about the Center can be accessed at <http://gaqc.aicpa.org>.

INFORMATION TO BE PREPARED BY MARION COUNTY AMBULANCE DISTRICT

In order for us to be more efficient in the audit of **Marion County Ambulance District** for the year ended December 31, 2023, we ask that your staff complete the following information prior to our beginning fieldwork.

- _____ Copy of bank reconciliation and statement for December 31, 2023 for each bank account, we also need to view the January 2024 bank statements
- _____ Prepare an aged schedule of accounts receivable for services as of December 31, 2023; and support for subsequent collections
- _____ Prepare a schedule of bad debts written off during the year
- _____ Prepare a schedule of all property and equipment, additions (**copy of all invoices**) and retirements showing cost, and for items sold, sales price. The depreciation schedule should work for this
- _____ Prepare a schedule of accounts payable. Also, have the creditors' regular monthly statements for December available
- _____ Print the January and February Check registers, pull all invoices greater than \$1,000 for review (no need to copy)
- _____ Provide a copy of the payroll journal for accrued salaries
- _____ Have available the reports showing the payments for retirement
- _____ Provide copies of the payroll tax reports for 2023
- _____ Have a copy of all leases for office equipment contracts available to us
- _____ Have a copy of any employment contracts with staff or executives available to us
- _____ Have copies of the minutes of the board meetings available for our use
- _____ Have inventory count sheets after pricing, available for us
- _____ Fiscal management policies and/or a personnel policies manual
- _____ Copy of by-laws
- _____ Have a listing of accrued leave payable at December 31, 2023 for our files (vacation or sick)
- _____ Prepare a schedule of unclaimed property
- _____ Prepare a schedule of accrued interest receivable
- _____ Prepare a schedule of prepaid expenses, have available for our review copies of the original invoice
- _____ Have copies of all loan documents
- _____ Have available schedule of current call rates
- _____ Provide copies of call reports through December 2023
- _____ Listing of officers and directors
- _____ Please pull all invoices for the cash disbursements test, a sample will be e-mailed to you prior to field work.