

**December 2021**

**Audit of the Department of Health - Division of  
Emergency Medical Services  
Operating Budget of Expenditures  
July 1, 2020 through December 31, 2020**



**STEFAN I. MYCHAJLIW  
ERIE COUNTY COMPTROLLER**

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**HON. STEFAN I. MYCHAJLIW  
ERIE COUNTY COMPTROLLER'S OFFICE  
DIVISION OF AUDIT & CONTROL  
95 FRANKLIN STREET  
BUFFALO, NEW YORK 14202**



June 16, 2021

Erie County Legislature  
92 Franklin Street, 4<sup>th</sup> Floor  
Buffalo, New York 14202

Dear Honorable Members:

The Erie County Comptroller's Office has completed an audit of Erie County's Department of Health – Division of Emergency Medical Services Operating Budget of expenditures for the period of July 1, 2020 through December 31, 2020.

Our objectives were to test and evaluate expenditure transactions recorded in the operating budget and to evaluate the internal controls over the expenditure transactions.

The scope of our audit included testing of SAP accounting entries and supporting documentation for expenditure accounts in Fund 110, Business Area 127. Additional details concerning the methodology employed in this audit are discussed in Appendix A.

Management of the Department of Health - Division of Emergency Medical Services is responsible for establishing and maintaining a system of internal controls. The objectives of such a system are to provide management with reasonable, but not absolute, assurance that transactions are executed in accordance with management's authorization and are recorded properly. Due to inherent limitations in the system of internal controls, errors or irregularities may nevertheless occur and not be detected.

Our responsibility is to express an opinion based on our audit. We conducted our audit in accordance with Generally Accepted Government Auditing Standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

**Opinion**

In our opinion, the internal controls over the expenditures in the operating budget are adequately designed and operating effectively.

No other specific matters adversely affecting compliance and procedures came to our attention. Our audit was made for the purpose previously discussed, and would not necessarily disclose all instances of noncompliance with respect to areas of operations not audited.

## REPORTING REQUIREMENTS

A draft copy of this report was provided to the Department of Health - Division of Emergency Medical Services ("DOH - EMS") for their review. Their comments were considered in the preparation of this report. A copy of their response to this report is included in Appendix B.

## BACKGROUND

Emergency Medical Services is a Division of the Erie County Department of Health that provides emergency medical training to first responders, emergency medical technicians, advanced medical technicians, and paramedics throughout Erie County. The Department of Health's Accounting and Fiscal Management perform the accounting duties for the Division of Emergency Medical Services.

## AUDIT RESULTS AND RECOMMENDATIONS

All audit findings were communicated to the DOH - EMS during the course of the audit.

### 1. General Ledger ("GL") Account 516020 Professional Services Contracts and Fees:

16 transactions were recorded in this GL account during the audit period. All 16 transactions were tested. No discrepancies were noted.

### 2. General Ledger Account 561410 Lab and Technical Equipment:

2 transactions were recorded in this GL account during the audit period. Both transactions were tested. The following deficiency was noted:

- One item tested did not have an asset record number ("ARN") assigned, which resulted in the item not being tracked in inventory for eleven months. The Comptroller's Office policy for Capital Assets states that any item of \$5,000 value or more must be accounted for in the inventory in the County's Capital Asset System. The ARN must be obtained prior to creating a purchase requisition. The DOH - EMS misclassified the purchase requisition after multiple attempts to obtain an ARN went unanswered by the Erie County Comptroller's Office, so they bypassed a control in SAP in order to purchase the required item. The DOH - EMS initiated corrective action during the course of audit fieldwork by requesting and obtaining the ARN for this item.

We recommend that the DOH - EMS follow the Erie County Accounting Policies for all future purchases and obtain the ARN prior to creating a purchase requisition for capital assets.

### Auditor Comment

The Erie County Comptroller's Office should document the written procedure of how to request ARN's and effectively communicate the procedure to all departments.

## RESULTS OF EXIT CONFERENCE

An exit conference was held on December 8, 2021 with the Chief Accountant of the Department of Health, a member from his staff, a representative from the Division of Budget and Management,

and two members from the Comptroller's Office - Division of Audit and Control. During the conference, the draft of the audit report was reviewed and included a discussion of the audit results and comments. The Auditee has reviewed the draft report and is in general agreement with our findings and had no further questions or comments.

A written response to the report from the Commissioner was received by the Comptroller's Office on December 20, 2021. The Erie County Department of Health's response to this audit report is included in Appendix B.

The Erie County Comptroller's Office would like to thank the Commissioner and the Fiscal Management staff of the Department of Health for the courtesy extended to us during the audit.

**ERIE COUNTY COMPTROLLER'S OFFICE**

Cc: Hon. Mark C. Poloncarz, County Executive  
Dr. Gale R. Burstein, MD, MPH, & FAAP, Commissioner of the Department of Health  
Robert W. Keating, Director of Budget and Management  
Hon. Stefan I. Mychajliw, Erie County Comptroller  
Erie County Fiscal Stability Authority

## APPENDIX

### Appendix A:

#### Audit Methodology

The goals of this audit were to test and evaluate the expenditure transactions in the operating budget and to evaluate the internal controls over the expenditure transactions.

To achieve these goals, we assessed the internal controls in place in the Department of Health-Division of Emergency Medical Services. Questionnaires were utilized to document discussions with staff related to the procedures used to process and record financial transactions and the accounting system ("SAP"). Tests of controls were designed and executed, and then reviewed for adequacy. Tests were performed by inspecting purchase orders in SAP, invoices and identifying whether asset record numbers were obtained for capital assets.

Tests were performed on 100% of the transactions in each GL account.

Tests of transactions were designed based on the assessment of internal controls and on the relative risk of the audit. The testing of transactions was performed by tracing and reconciling dollar amounts, dates and vendor information from the SAP transactions to the supporting documentation to ensure all information agreed. The supporting documentation included invoices, contracts, purchase requisitions, purchase orders, and check payments.

This evidence, taken as a whole, was used to form an opinion based on our objectives.

**Appendix B: Auditee's Response to the Audit Report**



**COUNTY OF ERIE**

**MARK C. POLONCARZ**

COUNTY EXECUTIVE

GALE R. BURSTEIN, MD, MPH  
COMMISSIONER OF HEALTH

December 16, 2021

Hon. Stefan I. Mychajiw  
Erie County Comptroller  
95 Franklin St, Floor 11  
Buffalo, NY 14202

**RE: Response to Draft Audit of Erie Department of Health – Division of Emergency Medical Services Operating Budget of Expenditures July 1, 2020 through December 31, 2020**

Dear Comptroller Mychajiw:

The Erie County Department of Health (ECDOH) writes to respond to the Draft Audit of Erie Department of Health – Division of Emergency Medical Services Operating Budget of Expenditures July 1, 2020 through December 31, 2020.

We are pleased with your finding that the internal controls over expenditures in the operating budget are adequately designed and operating effectively.

With regards to finding number 2 about the lack of an Asset Record Number (ARN) for an item purchased from Account 561410 – Lab and Technical Equipment; I will just note that per our response the IAM#1, multiple efforts were made by the Department's accounting staff to secure an ARN number, but due to a change in process in the Comptroller's Office regarding the use of the Workplace request system, the requests were not processed. We strongly concur with your recommendation that the Comptroller's Office address any internal issues related to the assignment of ARNs and communications about how to procure ARNs with the departments.

Sincerely yours,

Gale R. Burstein, MD, MPH, FAAP  
Commissioner of Health

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