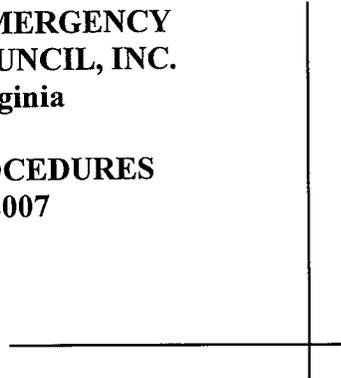


**WESTERN VIRGINIA EMERGENCY  
MEDICAL SERVICES COUNCIL, INC.  
Roanoke, Virginia**

**AGREED-UPON PROCEDURES  
June 30, 2007**



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**Independent Accountant's Report  
on Applying Agreed-Upon Procedures**

Virginia Department of Health  
Office of Emergency Medical Services  
Richmond, Virginia

We have performed the procedures enumerated in Attachment I for the period ended June 30, 2007, which were agreed to by the Virginia Department of Health, Office of Emergency Medical Services (Virginia Department of Health) solely to assist you in evaluating certain information for Western Virginia Emergency Medical Services Council, Inc. (WVEMS). The management of WVEMS is responsible for the accuracy and completeness of the reported information. This Agreed Upon Procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Virginia Department of Health. Consequently, we make no representations regarding the sufficiency of the procedures enumerated in Attachment I either for the purpose for which this report has been requested, or for any other purpose.

Findings noted as a result of the procedures performed are described in Attachment I and Exhibits I - III.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the reported information. Accordingly, we do not express such 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 the Virginia Department of Health, Office of Emergency Medical Services, and is not intended to be and should not be used by anyone other than this specified party.

*Clifton Gunderson LLP*

Glen Allen, Virginia  
March 19, 2009

**Virginia Department of Health  
Office of Emergency Medical Services**

**Agreed-Upon Procedures and Findings at  
Western Virginia Emergency Medical Services Council, Inc.**

**Attachment I**

	<b>Procedures</b>	<b>Findings</b>
	<b>Financial Statements</b>	
1.	Obtain financial statements of applicable Regional EMS Council.	We obtained the June 30, 2007 audited financial statements for Western Virginia Emergency Medical Services Council, Inc (WVEMS).
2.	Determine if the financial statements were audited by an Independent Certified Public Accountant.	We determined the June 30, 2007 financial statements of WVEMS were audited by the independent certified public accounting firm Goodman & Company, LLP.
3.	Determine whether any fraud, waste, questioned costs, or material weaknesses were reported.	We reviewed the June 30, 2007 audited financial statements and related auditors' reports contained therein and noted no reported fraud, waste, questioned costs, or material weaknesses.
	<b>Cash</b>	
4.	Obtain an understanding of the nature of the cash accounts.	We obtained an understanding of the nature of all cash accounts and noted nothing unusual.
5.	Compare cash balances for the current and prior year and explain any significant variances or absence of expected changes.	We compared the cash balances and obtained explanations for significant variances or absence of expected changes greater than \$8,333 (ISI). See Exhibit I.
6.	Confirm bank balances, including time deposits and certificates of deposit. Agree confirmed balances to bank reconciliations at year-end.	We confirmed balances for cash accounts held at Valley Bank and Mutual of America Institutional Funds, Inc (via Arboretum I). All confirmed cash account balances agree to bank reconciliations at year-end.

7.	<p>Obtain copies of the primary account bank reconciliations.</p> <ol style="list-style-type: none"> <li>a. Compare balance to the bank statement.</li> <li>b. Test the clerical accuracy of the reconciliation.</li> <li>c. Review the nature and extent of significant reconciling items to ensure they cleared the bank.</li> <li>d. Scan the reconciliation for amounts that may have been plugged to make the reconciliation balance.</li> <li>e. Inspect significant deposits slips returned with the subsequent month's bank statement to identify deposits that were made prior to month end but did not clear until after month end.</li> </ol>	<p>We obtained the cash reconciliation as of June 30, 2007 for the Valley Bank and Mutual of America Institutional Funds, Inc accounts, and applied the procedures noted in the adjacent column.</p> <ol style="list-style-type: none"> <li>a. Cash balances per bank statements agreed to reconciliations.</li> <li>b. Reconciliations were footed and recalculated and determined to be clerically accurate.</li> <li>c. All significant reconciling items (defined as those greater than ISI) cleared the accounts by the subsequent month (July 2007).</li> <li>d. There was an 'unreconciled difference' of \$3,931.71 noted on the reconciliation for Valley Bank. This 'unreconciled difference' was subsequently reconciled by management. No other plug amounts were noted.</li> <li>e. WVEMS does not receive copies of its deposit slips with their monthly account statements from either bank. However, all deposits made within the first week of the subsequent month (July 2007), as selected from the July 2007 account statements, were compared against a copy of the deposit slip. As a result, no deposits in transit were noted.</li> </ol>
	<b>Property and Equipment</b>	
8.	<p>From the property inventory, select a sample of equipment for review and determine whether the equipment is located as the site identified in the inventory.</p>	<p>We selected a sample size of twelve (12) equipment items from WVEMS's property inventory Depreciation Report. The sample size was based on all assets (excluding additions and disposals in the current year) greater than ISI. We noted all selected items were located in WVEMS's possession.</p>

9.	Select a sample of recent purchases and determine whether the inventory is accurately updated on the basis of new acquisitions.	We selected a sample size of three (3) recent purchases from WVEMS's property inventory Depreciation Report as of June 30, 2007. The sample size was based on a population of all purchases made in the current year greater than ISI. We noted all selected items were accurately updated on the Depreciation Report.
10.	Obtain a list of equipment disposed and select a sample to determine whether the equipment was properly disposed of.	We selected a sample size of six (6) disposals from WVEMS's property inventory Depreciation Report as of June 30, 2007. The sample size was based on a population of all disposals in the current year greater than ISI. Other than the Tower disposal, which was agreed to the executed Notice of Exercise of Option between the Board of Supervisors of Roanoke County and WVEMS, there was no formal disposal process for the remaining selected items. Per management, the other five disposal items selected, consisting of communication equipment, were all fully depreciated, no longer functional and no longer in service by WVEMS. These items were removed from the sites by various communications contractors over the past 5-10 years. Entries were made during FY07 to update the Depreciation Report to account for these disposals. We noted that all disposed assets selected were 26-30 years old and were fully depreciated on the Depreciation Report.
	<b>Accounts Payable</b>	
11.	Obtain a detailed schedule of Accounts Payable as of June 30 and reconcile to the financial statements.	We obtained a detailed schedule of Accounts Payable as of June 30, 2007 in the amount of \$43,798 and noted that it did reconcile with the financial statements.

12.	Select a sample of items representing at least 10% of the total balance and obtain invoice, contract or other supporting documentation for propriety and cut-off.	We selected one item in the amount of \$35,890 from the schedule of Accounts Payable obtained in procedure #11, which represented 82% of the total balance of Accounts Payable as of June 30, 2007. We obtained supporting documentation for the selected item and noted; (1) that it was billed to WVEMS and (2) it was attributable to goods and services provided prior to June 30, 2007.
13.	Obtain the cash disbursements register for the two months after year end and examine significant subsequent disbursements to include review of invoices to ensure the expense was recorded in the proper period.	We obtained the Cash Disbursements Journal for the period July 1, 2007 through August 31, 2007 and selected a sample size of ten (10) significant subsequent disbursements, as defined as cash disbursements greater than ISI. We examined the selection of subsequent disbursements against the supporting documentation and noted that all expenses were recorded in the proper period.
<b>Revenues and Expenses</b>		
14.	Compare revenue amounts by financial statement line item per the audited/reviewed financial statements and obtain an explanation for any significant changes.	We compared revenue amounts by line item per the audited financial statement and obtained explanations for significant changes greater than ISI. See Exhibit II.
15.	Obtain an understanding of the nature of expense balances.	We obtained an understanding of the nature of expense accounts and noted nothing unusual.
16.	Compare expense balances for the current and prior year and explain any significant variations or absence of expected changes.	We compared expense balances and obtained explanations for significant variations or absence of expected changes greater than ISI. See Exhibit III.

17.	Select a sample of 25 transactions from different expense accounts for review. Test the transactions to determine allowability and to detect instances of fraud, waste, abuse, or any other illegal acts. Obtain original invoice and purchase order (if applicable) and determine whether goods or services ordered were consistent with goods and orders billed and whether the invoice and subsequent payment were approved by an authorized official.	We obtained the General Ledger and haphazardly selected 25 transactions from different accounts. We obtained the original invoice and applicable purchase order for each item selected and determined that (1) the goods or services ordered were consistent with those billed; (2) the invoices were approved; and (3) the subsequent payment was approved. All transactions selected and tested met the three criteria above.
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**Virginia Department of Health  
Office of Emergency Medical Services**

**Agreed-Upon Procedures and Findings at  
Western Virginia Emergency Medical Services Council, Inc.**

**Exhibit I**

<b>CASH ACCOUNTS</b>					
<b>General Ledger Account</b>	<b>Description</b>	<b>Balance as of</b>		<b>Difference</b>	
		<b>6/30/2007</b>	<b>6/30/2006</b>		
1000-00	Petty cash	150	100	50	
1020-00	Merrill Lynch	-	4,492	(4,492)	
1023	Valley Bank checking	620,657	236,894	383,763	1
1025	Mutual Endowment account	27,166	6,152	21,014	2

All responses below were obtained from management of WVEMS.

1. The balance of the unrestricted portion will vary from year to year depending on when some revenues are booked and actually received. YE 2007 ended with a surplus.
2. \$20,000 was repaid to the endowment account in FY07.

**Virginia Department of Health  
Office of Emergency Medical Services**

**Agreed-Upon Procedures and Findings at  
Western Virginia Emergency Medical Services Council, Inc.**

**Exhibit II**

Description	FINAL 6/30/2007	PP FINAL 6/30/2006	\$ VAR
<b>Unrestricted revenues and support</b>			
State government	606,586	610,463	(3,877)
Local government	122,141	123,249	(1,108)
Other support and income	341,271	314,414	26,857
United Way organizations	3,893	3,319	574
Interest income	16,948	11,755	5,193
Net assets released from restrictions	<u>1,172,957</u>	<u>1,188,098</u>	<u>(15,141)</u>
<b>Total unrestricted revenues and support</b>	<b><u>2,263,796</u></b>	<b><u>2,251,298</u></b>	<b><u>12,498</u></b>
<b>Temporarily restricted net assets</b>			
Federal grant revenue	1,341,513	1,450,430	(108,917)
Net assets released from restrictions	<u>(1,172,957)</u>	<u>(1,188,098)</u>	<u>15,141</u>
<b>Total temporarily restricted net assets</b>	<b><u>168,556</u></b>	<b><u>262,332</u></b>	<b><u>(93,776)</u></b>

All responses below were obtained from management of WVEMS.

1. This account hold funds for all non-budgeted projects, grants, etc received throughout the year. It will vary greatly from year-to-year as it holds revenue for one-time projects.
2. This account receives income from a managed federal grant that is on a fiscal year that ends on August 7th. Timing of receipts and disbursements will affect the balance of these funds (noted as "temporarily restricted") at the June 30th FY end.

**Virginia Department of Health  
Office of Emergency Medical Services**

**Agreed-Upon Procedures and Findings at  
Western Virginia Emergency Medical Services Council, Inc.**

**Exhibit III**

Account	Description	FINAL 6/30/2007	PP FINAL 6/30/2006	\$ VAR	
5010-02	Salaries and wages	211,013	195,605	15,408	1
5105-01	Contracted serv. - Intermediate	16,115	-	16,115	2
5105-02	Contracted serv - Enhanced	22,249	39,460	(17,211)	3
5105-03	Contracted serv - Adjunct	13,302	1,551	11,751	4
5130-02	Rent - Programs	4,944	17,544	(12,600)	5
5510	Grants & special projects: Equip.	291	50,826	(50,535)	6
5510-02	Grants & special projects: Other	152,937	117,564	35,373	7
5680	Statewide IT support	84,175	44,005	40,170	8
5750	OMD project	-	45,270	(45,270)	9
5760	SWVEMS contract	-	9,539	(9,539)	10
5785	Utilities/services	9,070	-	9,070	11
6000	Staffing	120,554	155,569	(35,015)	12
6005	Administrative support	15,849	31,951	(16,102)	13
6010	Hospital bed capacity (2 -1)	556,998	173,773	383,225	14
6015	Isolation capacity (2 -2)	11,341	80,682	(69,341)	15
6030	Pharmaceutical caches (2 - 5)	41,432	23,539	17,893	16
6040	Decontamination (2 - 7)	8,927	49,605	(40,678)	17
6050	Trauma & burn care cap. (2 - 9)	-	273,311	(273,311)	18
6055	Communication (2 - 10)	52,805	182,680	(129,875)	19
6075	Education and preparedness (5)	357,474	204,667	152,807	20
6300	Interest expense	16,784	2,106	14,678	21
9900	Events transfer	-	184,988	(184,988)	22

All responses below were obtained from management of WVEMS.

1. COLA and merit increases, plus a portion that was un-filled during part of FY06 was filled in FY07.
2. This account will vary depending on the number of EMT-Intermediate courses that are started during a particular year; and how many students enroll (tuition funds).
3. Same as #2 above, except for EMT-Enhanced courses.
4. Same as #2 above, but for adjunct courses such as ACLS, ATLS, PEPP, PALS, etc.
5. WVEMS purchased a building and no longer paid rent for the main location in Roanoke in FY07. Rent was only for the New River Field Office, which is all "program".
6. In FY06, the majority of the grant funds for a major one-time project were expended.

7. See Note 1 under Revenue Comparison explanations. This is the expense account for all non-budgeted special one-time projects, grants, etc.
8. Charges for a grant funded statewide project were inadvertently coded to this account. This was corrected the following year.
9. This was a one-time OEMS project funded through a contract with WVEMS. A contractor (Southern Institute of Research) performed a research project and issued a report. Total project was \$45,000 plus some small expenses.
10. One-time OEMS contract funded consulting project. One year only. To provide technical assistance to the Southwest Virginia EMS Council. Expenses were to pay staff who participated and other expenses.
11. In FY06, WVEMS rented office space in Roanoke and did not have any utility costs. When WVEMS purchased the building in July 06, WVEMS began to incur utility and other occupancy-related expenses in lieu of rent.
12. For items 12-20; priorities of the federal ASPR grant change from year to year and greater or lesser amounts are spent on various benchmark categories accordingly. Also overlaps of the two fiscal years and timing of receipts/payments will affect the balances.
13. See explanation for item #12 above.
14. See explanation for item #12 above.
15. See explanation for item #12 above.
16. See explanation for item #12 above.
17. See explanation for item #12 above.
18. See explanation for item #12 above.
19. See explanation for item #12 above.
20. See explanation for item #12 above.
21. In May 2006, WVEMS bought a building. This is mortgage interest. FY06 included interest only from May 22 - June 30. FY07 was a full year's interest.
22. Prior to FY07, fund for Virginia EMS Events (i.e. Virginia EMS Symposium) were held and managed by WVEMS. Beginning in FY07, these funds were transferred to the newly incorporated Alliance for Emergency Medical Education and Research.