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STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

AUDIT REPORT
OF
OFFICE OF EMERGENCY COMMUNICATION
CLARK COUNTY, INDIANA
January 1, 2008 to December 31, 2008



FILED
06/18/2010

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Jerry W. Hall	01-01-08 to 12-31-10
President of the County Council	David Abbott Jack A. Coffman	01-01-08 to 12-31-09 01-01-10 to 12-31-10
President of the Board of County Commissioners	M. Edward Meyer	01-01-08 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF CLARK COUNTY

We have audited the records of the Office of Emergency Communication for the period from January 1, 2008 to December 31, 2008, 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 Result and Comment. The financial transactions of this office are reflected in the Annual Report of Clark County for the year 2008.

STATE BOARD OF ACCOUNTS

May 19, 2010

OFFICE OF EMERGENCY COMMUNICATION
CLARK COUNTY
AUDIT RESULT AND COMMENT

LATE PAYMENT FEES

AT & T invoices the County quarterly for emergency telephone network and equipment. The County paid late payment fees in the amount of \$4,440 during the year 2008. The following schedule shows the due date, date paid, invoice amount, and resulting late fees paid:

<u>Quarter Ending</u>	<u>Due Date</u>	<u>Date Paid</u>	<u>Quarterly Contract Amount</u>	<u>Late Fee</u>
Dec 2007	01-01-08	01-30-08	\$ 74,001	\$ 1,110
March 2008	04-01-08	04-30-08	74,001	1,110
June 2008	07-01-08	07-30-08	74,001	1,110
Sept 2008	10-01-08	11-26-08	74,001	1,110
Dec 2008	01-01-09	02-12-09	74,001	2,220
March 2009	04-01-09	05-21-09	74,001	1,110

As of September 16, 2009, only two quarterly payments had been made to AT & T. Late fees totaling \$3,330 were incurred and paid on these invoices with a balance of \$1,110 still owed for previous late fees assessed and not paid.

We also noted that late payment fees were being paid on credit card payments during 2008 from the Emergency Telephone System Fund.

Officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit. Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

IC 36-1-8-4(a) states in part: "The fiscal body of a political subdivision may, by ordinance or resolution, permit the transfer of a prescribed amount, for a prescribed period, to a fund in need of money for cash flow purposes from another fund of the political subdivision . . ."

OFFICE OF EMERGENCY COMMUNICATION
CLARK COUNTY
EXIT CONFERENCE

The contents of this report were discussed on May 19, 2010, with M. Edward Meyer, President of the Board of County Commissioners, and Jack A. Coffman, President of the County Council.

The contents of this report were discussed on May 20, 2010, with Jerry W. Hall, Director. The official response has been made a part of this report and may be found on page 6.

CLARK COUNTY 911

110 NORTH INDIANA AVENUE
SELLERSBURG, INDIANA 47172
(812) 246-7475, opt. 3
(812) 246-7480 Fax
(502) 643-5169 Cell

jhall@clarkcounty911.com

May 25, 2010

To: State Board of Accounts
OFFICIAL RESPONSE

Re: Late Fee Assessments

The primary cause of Late Fee Assessments must be addressed. Although one late fee can be attributed to the incorrect delivery of an Invoice to City County Building, rather than the Office of Emergency Communications, this should not be considered the primary reason.

The Clark County Office of Emergency Communications, at one point, maintained a fund surplus. Due to a several factors, beyond my control this surplus has been depleted:

1. The last time the County needed funds to prevent lay-offs, the 911 Funds were utilized to pay expenses, which were previously paid from the County General Fund. These expenses included salaries and benefits. This funding for Salaries, PERF, Payroll Taxes, and Health Insurance were expenses for which I was not privy to the amounts necessary from one payroll to the next. I did not know how many employees were to be paid and the benefits associated with Payroll. I became increasingly concerned about my own staffing expenses. Hence, I made an effort to make sure that Payroll to this office could be met prior to other obligations. On occasions this created late fee charges. These are fees for which I took great displeasure in paying. To prevent a recurrence of this type, all claims large and small are being delivered to Auditors Office, immediately, for payment, regardless of Income Stream or Account Balances.
2. The loss of income due to transition from landlines telephones to cellular telephones.
3. The County Council denial of an increased 911 Fee to allow for additional Income to meet expenses. (911) Fees were not frozen at the time.
4. Transition of Radio Transmission Equipment to State Emergency System. (Added future cost).

Again it is regretful anytime late fee assessments are required to be paid. However when the funding necessary to meet certain financial obligations are removed, become uncertain, and/or confusing, these issues arise.

I had previously warned anyone that would listen that it would be very difficult to maintain a budget flow when 911 generated funds were to be utilized as payments for County General expenses, not under my oversight. I understand the responsibility is ultimately mine, however I felt it necessary to explain the circumstances surrounding these late fee assessments.

Sincerely,

Jerry W. Hall
Director
Clark County 911