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DIRECTOR OF EMERGENCY COMMUNICATIONS
TRANSITION AUDIT

Under Illinois State Statute 55 ILCS 5 / 6-31005 – *Funds managed by County officials* – the County Board is required to engage a transition audit of all funds and accounts under the management / control of the county official. The audit report must be prepared and filed to the Chairman of the County Board no later than 180 days after the county official leaves office.

A County official is “[...] *any elected county officer or any officer appointed by the county board who is charged with the management or control of any county funds.*”

The “County official” in transition is the Director of Emergency Communications (KaneComm), also known as the Director of 911.

The position was held by Mr. David Farris (predecessor) since August 2015 through May 31, 2018. The KaneComm Board on June 6, 2018 and the Kane County Board on June 12, 2018 unanimously agreed on the Chairman’s appointment of Ms. Michelle Guthrie (successor), formally the Deputy Director of Emergency Communications.

The Office of Kane County Auditor was engaged to complete the transition audit.

TIMELINE

Termination date 5/31/2018

Report due date 11/27/2018

BACKGROUND

Kane County KaneComm was established in 2008 (Ordinance 08-254) to satisfy the Illinois Commerce Commission direction authorizing local units of government to establish and operate public safety answering point (PSAP). It is a multi-jurisdictional dispatch center responsible for the deployment of

several Police, Fire, and Medical agencies located within Kane County for all incoming emergency and non-emergency calls for assistance. The department is a 24 hour a day operation made up of 21 total employees: one (1) Director, one (1) Deputy Director, one (1) Radio Systems Administrator, three (3) Shift Supervisors, and fifteen (15) Telecommunicators.

KaneComm's mission is to serve as a vital link between the citizens of Kane County and the public safety agencies devoted to protecting them. Its vision is to be an Emergency Communication Center that achieves the highest public confidence and is recognized for leadership, professionalism, and innovation. It strives to remain compliant with standards set forth by the Illinois Commerce Commission, National Fire Protection Association, Commission on Accreditation for Law Enforcement Agencies, and APCO International.

The Kane County Emergency Communications (KaneComm) Board was established (County Code 8.5-2) to oversee KaneComm's operations. It is governed by eleven (11) members serving a four (4) year term. One of the eleven members is the Director of Emergency Communications.

In addition, KaneComm participates monthly in the Judicial Public Safety Committee. There the KaneComm Director presents its monthly report, which includes a memo of KaneComm activities, a table with the number of call activities by subscribers, a graph of the call volume per hour of the day, and the phone statics. It also submits resolutions and ordinances for County Board approval and presents annual budget to the Committee of the Whole.

Per County Code 8.5-7, KaneComm operates under one special revenue governmental fund, 269.425 *KaneComm Fund*. All fees, grants, or revenues related to the operation of KaneComm are deposited into the fund and are in the custody of the Kane County Treasurer. All warrants and charges are approved by the KaneComm Board and paid by the Treasurer.

The County Code further clarifies the Director of Emergency Communications position is:

- authorized, by the KaneComm Board, to approve invoices for payment, which have been authorized and approved in the annual KaneComm budget (County Code 8.5-9)
- tasked with submitting PSAP status reports on activities and issues and submitting an annual report on all PSAP operations (County Code 8.5-10)
- responsible for organizing user groups to assist in providing input into operations, setting direction and promoting accountability services and results among the subscribers (County Code 8.5-11)

AUDIT PROCEDURES

The Auditor's Office performed the following audit procedures, over the agreed to transition period (December 2017 to June 2018):

1. Inquire with predecessor and the newly appointed Director
2. Inspect County assets allocated to the predecessor are properly returned
3. Perform a physical observation of County assets owned / allocated to KaneComm
 - a. Petty cash

- b. Off balance sheet accounts
 - c. Inventory
 - d. Capital assets (equal to or greater than \$10,000)
 - e. Fixed assets (valued between \$500.00 - \$9,999.99)
 - f. Information technology equipment
 - g. Other agency equipment
4. Review the fund activity during the transition period
 - a. Cash received / revenue earned
 - b. Expenses incurred
 5. Review the predecessor's final paycheck
 6. Other

RESULTS

1. Met and discussed with the predecessor and the successor.
2. The predecessor was assigned a County cell phone and i-pad, which were returned to IT his last day of employment. He was not issued a procurement card.
3. KaneComm does not hold petty cash, own a bank account, own inventory, or maintain a list of fixed asset with cost valued between \$500.00 - \$9,999.99.

It does maintain capital assets, IT equipment, and IT equipment owned by Emergency Telephone System Board (ETSB).

- a. *Capital assets (historic value equal to or greater than \$10,000)*
 - i. Physically observed a sample of the capital assets. While the assets were found resembling the description of the assets, validating the accuracy of the assets was proven difficult, as the assets were not tagged and the description per the fixed asset listing were vague.
 - ii. In May, KaneComm completed the installation of the receive site equipment at the Sheriff's Office. Equipment, valued at \$21,942 was purchased through KaneComm's allocated portion of the Public Safety Sales Tax Fund (125). Funds were appropriately budgeted for in fiscal year 2018. Reviewed the invoices and journal entry. No exception noted, passed on further inspection.
 - iii. No other assets were purchased during the transition period.
- b. *IT assets*
 - i. Physically observed one hundred percent of the population. Differences were found, and are being investigated by IT. Majority of the differences appear to be related to the accuracy of the listing maintained by the IT department, and less regarding discrepancies with KaneComm equipment. As such, no exceptions noted.
 - ii. Computer and laptops were upgraded during the transition period. As this was considered a part of IT's scheduled routine upgrades and the new assets were accounted for during the observation, no further procedures were performed.

- iii. In March 2018, KaneComm went live with Computer-Aided Dispatch (CAD) Enterprise project. Project was managed by IT. The initial cost of the module was paid by the Countywide Capital fund (500).

c. *ETSB assets*

- i. Physically observed a sample of the ETSB assets. Assets selected were located, however, some of the assets were tagged as County owned property. IT has been notified and is looking into it. As this is not a reflection of KaneComm's ownership of asset, passed on further inspection. Furthermore, no new assets were assigned or disposed of during this transition period.

4. *Cash received / Revenue earned*

The KaneComm Fund (269) main source of revenue is the subscriber dispatch fees. Invoiced annually in June and collected in July for the fiscal year. The KaneComm Board is responsible for setting fees and charges and negotiating and approving the subscriber agreements. Once the rates are approved, the Director invoices the subscriber and deposits the fees collected with the Treasurer. While the Director is one (1) of the eleven (11) members of the Board, the Director is not directly or solely responsible for these actions. Next, the Director does not have custody over the funds deposited. Further, the fees were not collected during the audited transition period. As a result, further procedures were not performed.

ETSB surcharges are another source of revenue for KaneComm. The ETSB Board is responsible for allocating a portion of the ETSB surcharges to KaneComm. The allocation is approved by the ETSB Board. While the Director is one (1) of the nine (9) members of the Board, the Director is not directly or solely responsible for this action. As a result, passed on further procedures.

Expenses incurred

Per County Code 8.5-9 - *Powers and Duties of the Board*, the KaneComm Board is responsible for determining the annual budget subject to Kane County Board approval, approving expenditures, reviewing financial information, and authorizing the Director to approve invoices for payment, which have been authorized and approved in the annual KaneComm budget.

Reviewed all expenses incurred, including Personnel Expense Vouchers and procurement credit card charges. No expenses were deemed unusual. One new vendor, Tower Works, Inc, was used, which totaled more than three thousand dollars in charges, however, the expenses were within budget. Furthermore, KaneComm is operating within budget and no budget adjustments have been requested.

5. Obtained the Personal Action Form (PAF) and validated the final paycheck for David Farris was paid out in full, in line with his PAF form, in the appropriate payroll cycle. Furthermore, validated that he did not receive anymore paycheck subsequent his term date.
6. Other observations noted:
 - KaneComm is currently operating without a Deputy Director.
 - In August 2018, the members of the KaneComm Board were renewed / newly appointed.
 - No new agreements / contracts were entered into during the transition period; however, there are a few currently being negotiated.

CONCLUSION

No adverse findings were noted, and as such deemed the transition of control / management of funds appropriate.

The Auditor's Office would like to thank all those who assisted us in our review. Your cooperation and generous assistance is greatly appreciated.

Respectively submitted,

OFFICE OF THE KANE COUNTY AUDITOR



Terry Hunt
Kane County Auditor



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