



**OFFICE OF AUDITOR OF STATE
STATE OF IOWA**

David A. Vaudt, CPA
Auditor of State

State Capitol Building
Des Moines, Iowa 50319-0004

Telephone (515) 281-5834 Facsimile (515) 242-6134

NEWS RELEASE

FOR RELEASE

March 25, 2009

Contact: Andy Nielsen
515/281-5834

Auditor of State David A. Vaudt today released an audit report on the Webster County Metropolitan Law Enforcement Telecommunications Board for the year ended June 30, 2008

The Board had total receipts of \$373,574 during the year ended June 30, 2008, a less than one percent decrease from 2007. The receipts included member assessments of \$329,840 and Webster County E-911 Service Board fees of \$35,000.

Disbursements for the year totaled \$357,854, a 6.5 percent increase over the prior year, and included \$316,211 for salaries and benefits, \$12,371 for maintenance and \$11,382 for terminal billings.

A copy of the audit report is available for review in the Webster County Metropolitan Law Enforcement Telecommunications Board office, in the Office of Auditor of State and on the Auditor of State's web site at <http://auditor.iowa.gov/reports/reports.htm>.

###

**WEBSTER COUNTY METROPOLITAN LAW ENFORCEMENT
TELECOMMUNICATIONS BOARD**

**INDEPENDENT AUDITOR'S REPORTS
FINANCIAL STATEMENT AND
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FINDINGS**

JUNE 30, 2008

Table of Contents

	<u>Page</u>
Officials	3
Independent Auditor's Report	5
Management's Discussion and Analysis	6-8
Financial Statement:	<u>Exhibit</u>
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Net Assets	A 11
Notes to Financial Statement	12-14
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of a Financial Statement Performed in Accordance with <u>Government Auditing Standards</u>	17-18
Schedule of Findings	19-22
Staff	23

Webster County Metropolitan Law Enforcement Telecommunications Board

Officials

<u>Name</u>	<u>Title</u>	<u>Representing</u>
Brian Mickelson	Board Chairperson	Webster County
Al Conkling	Board Member	City of Badger
Penny Clayton	Board Member	City of Fort Dodge
Kevin Doty	Board Member	City of Fort Dodge
Doug Utley	Board Member	City of Fort Dodge
Bruce McCormack	Board Member	City of Gowrie
Joel Lizer	Board Member	Webster County

Webster County Metropolitan Law Enforcement Telecommunications Board



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

David A. Vaudt, CPA
Auditor of State

State Capitol Building
Des Moines, Iowa 50319-0004

Telephone (515) 281-5834 Facsimile (515) 242-6134

Independent Auditor's Report

To the Members of the Webster County
Metropolitan Law Enforcement Telecommunications Board:

We have audited the accompanying financial statement of the Webster County Metropolitan Law Enforcement Telecommunications Board (Telecommunications Board) as of and for the year ended June 30, 2008. This financial statement is the responsibility of the Telecommunications Board's management. Our responsibility is to express an opinion on the financial statement based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

As described in Note 1, this financial statement was prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash basis financial position of the Webster County Metropolitan Law Enforcement Telecommunications Board as of June 30, 2008, and the changes in its cash basis financial position for the year then ended in conformity with the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated March 3, 2009 on our consideration of the Telecommunications Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations and contracts and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Management's Discussion and Analysis on pages 6 through 8 is not a required part of the financial statement, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. We did not audit the information and express no opinion on it.

DAVID A. VAUDT, CPA
Auditor of State

WARREN G. JENKINS, CPA
Chief Deputy Auditor of State

March 3, 2009

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Webster County Metropolitan Law Enforcement Telecommunications Board provides this Management's Discussion and Analysis of its financial statement. This narrative overview and analysis of the financial activities of the Webster County Metropolitan Law Enforcement Telecommunications Board is for the fiscal year ended June 30, 2008. We encourage readers to consider this information in conjunction with the Telecommunications Board's financial statement, which follows.

2008 FINANCIAL HIGHLIGHTS

- ◆ Operating receipts decreased 0.7%, or approximately \$2,500, from fiscal 2007 to fiscal 2008.
- ◆ Operating disbursements increased 6.5%, or approximately \$21,900, from fiscal 2007 to fiscal 2008.
- ◆ Cash basis net assets increased 31.2%, or approximately \$15,700, from June 30, 2007 to June 30, 2008.

USING THIS ANNUAL REPORT

The Telecommunications Board has elected to present its financial statement on the cash basis of accounting. The cash basis of accounting is a basis of accounting other than U.S. generally accepted accounting principles. Basis of accounting refers to when financial events are recorded, such as the timing for recognizing revenues, expenses and the related assets and liabilities. Under the cash basis of accounting, revenues and expenses and the related assets and liabilities are recorded when they result from cash transactions.

As a result of the use of the cash basis of accounting, certain assets and their related revenues and liabilities and their related expenses are not recorded in this financial statement. Therefore, when reviewing the financial information and discussion within this annual report, readers should keep in mind the limitations resulting from the use of the cash basis of accounting.

The annual report is presented in a format consistent with the presentation of Governmental Accounting Standards Board (GASB) Statement No. 34, as applicable to the cash basis of accounting.

This discussion and analysis is intended to serve as an introduction to the financial statement. The annual report consists of the financial statement and other information, as follows:

- Management's Discussion and Analysis introduces the financial statement and provides an analytical overview of the Telecommunications Board's financial activities.
- The Statement of Cash Receipts, Disbursements and Changes in Cash Basis Net Assets presents information on the Telecommunication Board's operating receipts and disbursements, non-operating receipts and disbursements and whether the Telecommunications Board's financial position has improved or deteriorated as a result of the year's activities.
- The Notes to Financial Statement provide additional information essential to a full understanding of the data provided in the financial statement.

FINANCIAL ANALYSIS OF THE TELECOMMUNICATIONS BOARD

Statement of Cash Receipts, Disbursements and Changes in Cash Basis Net Assets

The purpose of the statement is to present the receipts received by the Telecommunications Board and the disbursements paid by the Telecommunications Board, both operating and non-operating. The statement also presents a fiscal snapshot of the cash balance at year end. Over time, readers of the financial statement are able to determine the Telecommunications Board's cash basis financial position by analyzing the increase and decrease in cash basis net assets.

Operating receipts are received for assessments from the members of the Telecommunications Board and E-911 Service Board fees. Operating disbursements are disbursements paid to operate the Call Center. Non-operating receipts are for interest on investments. A summary of cash receipts, disbursements and changes in cash basis net assets for the years ended June 30, 2008 and 2007 are presented below:

	<u>Year ended June 30,</u>	
	<u>2008</u>	<u>2007</u>
Operating receipts:		
Member assessments	\$ 329,840	330,985
Webster County E-911 Service Board fees	35,000	35,000
Miscellaneous	6,159	7,545
Total operating receipts	<u>370,999</u>	<u>373,530</u>
Operating disbursements:		
Salaries and benefits	316,211	292,362
Maintenance	12,371	12,563
Terminal billings	11,382	10,334
Office supplies	6,449	3,282
Utilities	5,390	6,763
Accounting services	2,379	2,195
Insurance	2,349	5,571
Miscellaneous	1,323	2,854
Total operating disbursements	<u>357,854</u>	<u>335,924</u>
Excess of operating receipts over operating disbursements	13,145	37,606
Non-operating receipts:		
Interest on investments	2,575	1,888
Change in cash basis net assets	15,720	39,494
Cash basis net assets beginning of year	<u>50,431</u>	<u>10,937</u>
Cash basis net assets end of year	<u>\$ 66,151</u>	<u>50,431</u>

In fiscal 2008, operating receipts decreased \$2,531, or 0.7%, over fiscal 2007. Operating receipts remained fairly consistent in fiscal 2008 as member assessments remained unchanged and the Telecommunications Board received an insurance reimbursement of \$6,059 for repairs to a siren tower due to a lightning strike. In fiscal 2008, operating disbursements increased \$21,930, or 6.5%, over fiscal 2007. The increase in disbursements was primarily due to increased personnel costs.

DEBT ADMINISTRATION

At June 30, 2008, the Telecommunications Board had no long-term debt outstanding.

ECONOMIC FACTORS

The financial position of the Telecommunications Board improved in the current fiscal year as member assessments increased net assets. The current condition of the economy in the state continues to be a concern for Telecommunications Board officials. Some of the realities that may potentially become challenges for the Telecommunications Board to meet are:

- ◆ Cost of living increases.
- ◆ Increasing cost of insurance.
- ◆ The cost of benefits for long-term employees.

The Telecommunications Board anticipates the current fiscal year will be very much like the last and will maintain a close watch over resources to maintain the Telecommunications Board's ability to react to unknown issues.

CONTACTING THE TELECOMMUNICATIONS BOARD'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the Telecommunications Board's finances and to show its accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Webster County Metropolitan Law Enforcement Telecommunications Board, 702 1st Avenue S., Fort Dodge, Iowa 50501.

Webster County Metropolitan Law Enforcement Telecommunications Board

Financial Statement

Webster County Metropolitan Law Enforcement Telecommunications Board

Statement of Cash Receipts, Disbursements and
Changes in Cash Basis Net Assets

As of and for the year ended June 30, 2008

Operating receipts:	
Member assessments	\$ 329,840
Webster County E-911 Service Board fees	35,000
Miscellaneous	6,159
Total operating receipts	<u>370,999</u>
Operating disbursements:	
Salaries and benefits	316,211
Maintenance	12,371
Terminal billings	11,382
Office supplies	6,449
Utilities	5,390
Accounting services	2,379
Insurance	2,349
Miscellaneous	1,323
Total operating disbursements	<u>357,854</u>
Excess of operating receipts over operating disbursements	13,145
Non-operating receipts:	
Interest on investments	<u>2,575</u>
Change in cash basis net assets	15,720
Cash basis net assets beginning of year	<u>50,431</u>
Cash basis net assets end of year	<u>\$ 66,151</u>
Cash Basis Net Assets	
Unrestricted	<u>\$ 66,151</u>

See notes to financial statement.

Webster County Metropolitan Law Enforcement Telecommunications Board

Notes to Financial Statement

June 30, 2008

(1) Summary of Significant Accounting Policies

The Webster County Metropolitan Law Enforcement Telecommunications Board was formed in 1975 pursuant to the provisions of Chapter 28E of the Code of Iowa. The Telecommunications Board is to provide uniform law enforcement and emergency communications to the citizens of Webster County.

The Telecommunications Board is composed of two representatives appointed by the Webster County Board of Supervisors, three representatives appointed by the Fort Dodge City Council and two representatives appointed from the remaining member cities. The participating cities are Badger, Barnum, Callender, Clare, Dayton, Duncombe, Fort Dodge, Gowrie, Harcourt, Lehigh, Moorland, Otho and Vincent.

A. Reporting Entity

For financial reporting purposes, the Telecommunications Board has included all funds and organizations. The Telecommunications Board has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the Telecommunications Board are such that exclusion would cause the Telecommunications Board's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the Telecommunications Board to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the Telecommunications Board. The Telecommunications Board has no component units which meet the Governmental Accounting Standards Board criteria.

B. Basis of Presentation

The accounts of the Telecommunications Board are organized as an Enterprise Fund. Enterprise Funds are utilized to finance and account for the acquisition, operation, and maintenance of governmental facilities and services supported by user charges.

Enterprise Funds distinguish operating receipts and disbursements from non-operating items. Operating receipts and disbursements generally result from providing services and producing and delivering goods in connection with an Enterprise Fund's principal ongoing operations. All receipts and disbursements not meeting this definition are reported as non-operating receipts and disbursements.

C. Basis of Accounting

The Webster County Metropolitan Law Enforcement Telecommunications Board maintains its financial records on the basis of cash receipts and disbursements and the financial statement of the Telecommunications Board is prepared on that basis. The cash basis of accounting does not give effect to accounts receivable, accounts payable and accrued items. Accordingly, the financial statement does not present the financial position and results of operations of the Telecommunications Board in accordance with U.S. generally accepted accounting principles.

(2) Cash and Investments

The Telecommunications Board's deposits in banks at June 30, 2008 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

The Telecommunications Board is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Telecommunications Board; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

At June 30, 2008, the Telecommunications Board had investments in the Iowa Public Agency Investment Trust which are valued at an amortized cost of \$58,552 pursuant to Rule 2a-7 under the Investment Company Act of 1940. The investment in the Iowa Public Agency Investment Trust is unrated for credit risk purposes.

(3) Pension and Retirement Benefits

The Telecommunications Board contributes to the Iowa Public Employees Retirement System (IPERS) which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by state statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa, 50306-9117.

Plan members are required to contribute 3.90% of their annual salary and the Telecommunications Board is required to contribute 6.05% of annual covered payroll. Contribution requirements are established by state statute. The Telecommunications Board's contributions to IPERS for the years ended June 30, 2008, 2007 and 2006 were \$16,743, \$14,651 and \$14,487, respectively, equal to the required contribution for each year.

(4) Operating Lease Agreement

The Telecommunications Board entered into a lease for a copy machine during the fiscal year ended June 30, 2007. The lease has been classified as an operating lease. The lease expires during the fiscal year ending June 30, 2012.

The following is a schedule of future minimum rental payments required under the operating lease which has initial or remaining non-cancelable lease terms in excess of one year as of June 30, 2008:

Year Ending June 30,	Amount
2009	\$ 2,016
2010	2,016
2011	2,016
2012	1,008
Total	\$ 7,056

Rental disbursements for the year ended June 30, 2008 totaled \$2,016.

(5) Risk Management

The Telecommunications Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. The Telecommunications Board assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims for these risks have not exceeded commercial insurance coverage for the past three years.

(6) Compensated Absences

The Telecommunications Board's employees accumulate a limited amount of earned but unused vacation hours for subsequent use or for payment upon termination, retirement or death. This accumulation is not recognized as a disbursement by the Telecommunications Board until used or paid. The Telecommunications Board's approximate liability for earned vacation payable to employees at June 30, 2008 was \$12,400. This liability has been computed based on rates of pay in effect at June 30, 2008.

**Independent Auditor's Report on Internal Control
over Financial Reporting and on Compliance and Other Matters
Based on an Audit of a Financial Statement Performed in Accordance with
Government Auditing Standards**

Webster County Metropolitan Law Enforcement Telecommunications Board



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

David A. Vaudt, CPA
Auditor of State

State Capitol Building
Des Moines, Iowa 50319-0004

Telephone (515) 281-5834 Facsimile (515) 242-6134

Independent Auditor's Report on Internal Control
over Financial Reporting and on Compliance and Other Matters
Based on an Audit of a Financial Statement Performed in Accordance with
Government Auditing Standards

To the Members of the Webster County
Metropolitan Law Enforcement Telecommunications Board:

We have audited the accompanying financial statement of the Webster County Metropolitan Law Enforcement Telecommunications Board as of and for the year ended June 30, 2008, and have issued our report thereon dated March 3, 2009. Our report expressed an unqualified opinion on the financial statement which was prepared in conformity with an other comprehensive basis of accounting. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Webster County Metropolitan Law Enforcement Telecommunications Board's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing our opinion on the effectiveness of the Webster County Metropolitan Law Enforcement Telecommunications Board's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Webster County Metropolitan Law Enforcement Telecommunications Board's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies, including deficiencies we consider to be material weaknesses.

A control deficiency exists when the design or operation of the control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Telecommunications Board's ability to initiate, authorize, record, process or report financial data reliably in accordance with an other comprehensive basis of accounting such that there is more than a remote likelihood a misstatement of the Telecommunications Board's financial statement that is more than inconsequential will not be prevented or detected by the Telecommunications Board's internal control. We consider the deficiencies in internal control described in the accompanying Schedule of Findings to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood a material misstatement of the financial statement will not be prevented or detected by the Telecommunications Board's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we believe items (A) and (B) are material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Webster County Metropolitan Law Enforcement Telecommunications Board's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations and contracts, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of non-compliance or other matters that are described in the accompanying Schedule of Findings.

Comments involving statutory and other legal matters about the Telecommunications Board's operations for the year ended June 30, 2008 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statement of the Telecommunications Board. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

The Webster County Metropolitan Law Enforcement Telecommunications Board's responses to findings identified in our audit are described in the accompanying Schedule of Findings. While we have expressed our conclusions on the Telecommunication Board's responses, we did not audit the Webster County Metropolitan Law Enforcement Telecommunications Board's responses and, accordingly, we express no opinion on them.

This report, a public record by law, is intended solely for the information and use of the members and customers of the Webster County Metropolitan Law Enforcement Telecommunications Board and other parties to whom the Telecommunications Board may report. This report is not intended to be and should not be used by anyone other than these specified parties.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of the Webster County Metropolitan Law Enforcement Telecommunications Board during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.



DAVID A. VAUDT, CPA
Auditor of State



WARREN G. JENKINS, CPA
Chief Deputy Auditor of State

March 3, 2009

Webster County Metropolitan Law Enforcement Telecommunications Board

Schedule of Findings

Year ended June 30, 2008

Findings Related to the Financial Statement:

SIGNIFICANT DEFICIENCIES:

(A) Segregation of Duties – One important aspect of internal control is the segregation of duties among employees to prevent an individual employee from handling duties which are incompatible. When duties are properly segregated, the activities of one employee act as a check on those of another. We noted the following:

- (1) The duties of billing members for assessments, recording collections, preparing deposits and reconciling book and bank balances are performed by a single individual.
- (2) Detailed accounts receivable records are not maintained by someone independent of collecting and recording receipts.

Recommendation – We realize segregation of duties is difficult with a limited number of office employees. However, the Telecommunications Board should review its control procedures to obtain the maximum internal control possible under the circumstances utilizing currently available personnel. Evidence of various reviews should be indicated by initials of the independent reviewer and the date of the review.

Response – The Board will attempt to be more involved in the receipt process by tracking the receipt of assessments and following up on assessments past due.

Conclusion – Response accepted.

(B) Disbursements – Disbursements were not always reviewed and authorized prior to payment. From our review of 45 disbursement transactions, 37 transactions lacked evidence of review and/or authorization prior to submission to the accounting service for processing and payment. One transaction tested included a \$19.70 late payment charge.

Recommendation – Claims for disbursement should be properly approved prior to processing for payment. Transactions should be processed timely to prevent late payment charges.

Response – The call center supervisor is responsible for the bills and has started initialing the review and approval of all the bills that come in. The supervisor has also been making copies of every bill received. The Board has approved payment of the routine monthly bills and any non-routine payments are taken to the Board for approval. The Board is working with the accounting service to ensure bills are paid in a timely manner.

Conclusion – Response accepted.

Webster County Metropolitan Law Enforcement Telecommunications Board

Schedule of Findings

Year ended June 30, 2008

- (C) Pay Rate Approval – Dispatchers are compensated according to a formalized wage progression scale by years of service. Pay rates for two of twelve employees not covered by this scale were not approved.

Recommendation – Pay rates should be approved and the bi-weekly payroll should be monitored to ensure the proper rate of pay is used for payroll calculation.

Response – The Board will review rates of pay for all employees on a quarterly basis to ensure all employees are paid according to the union contract.

Conclusion – Response accepted.

- (D) Accounting Procedures Manual – We encourage the development of an office procedures and standardized accounting manual. The manual should provide the following benefits:

(1) Aid in training additional or replacement personnel.

(2) Help achieve uniformity in accounting and in the application of policies and procedures for the Board.

Recommendation – An office procedures and accounting manual should be prepared.

Response – The Board will work toward getting an accounting manual together between the accounting service and the Communication Center which defines the Board's procedures.

Conclusion – Response accepted.

- (E) Authorized Check Signers – Former members of the Telecommunications Board have not been removed from the bank signature cards.

Recommendation – Authorized check signers should be restricted to current Telecommunications Board members or employees. All bank signature cards should be updated to include only current Board members or employees.

Response – The Board has updated the authorized check signers.

Conclusion – Response accepted.

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

Webster County Metropolitan Law Enforcement Telecommunications Board

Schedule of Findings

Year ended June 30, 2008

Other Findings Related to Required Statutory Reporting:

- (1) Questionable Disbursements – No disbursements we believe may not meet the requirements of public purpose as defined in an Attorney General’s opinion dated April 25, 1979 were noted.
- (2) Travel Expense – No disbursements of Telecommunications Board money for travel expenses of spouses of Board officials or employees were noted.
- (3) Business Transactions – No business transactions between the Telecommunications Board and Telecommunications Board officials or employees were noted.
- (4) Board Minutes – No transactions were found that we believe should have been approved in the Telecommunications Board minutes but were not, except as noted below.

The official minutes did not indicate approval of monthly bills for two of the eight meetings held. The minutes for one Board meeting did not indicate approval of the monthly financial statements. In addition, proof of publication of the proceedings was lacking for three Board meetings and the minutes for two additional Board meetings were not published timely. Also, two of the published minutes did not include a schedule of bills allowed as required by Chapter 28E.6(3) of the Code of Iowa.

Article IX, Section 3 of the 28E agreement requires Telecommunications Board meetings to be held not less than once each month and at such times as the Chairman and/or Vice-Chairman shall call for. Telecommunications Board meetings were not held during four of the months during the fiscal year.

Recommendation – The official minutes of the Telecommunications Board meetings should include approval of monthly bills and monthly financial statements. The Telecommunications Board should ensure all minutes and the schedule of bills allowed are published in accordance with Chapter 28E.6 of the Code of Iowa.

The Telecommunications Board should meet monthly as outlined by the agreement or consider amending Article IX of the 28E agreement.

Response – The Board will attempt to meet every month as required by the 28E agreement. The Board will also include all required information in the Board minutes and publish the minutes in a timely manner.

Conclusion – Response accepted.

- (5) Deposits and Investments – Except as noted below, no instances of non-compliance with the deposit and investment provisions of Chapter 12B and Chapter 12C of the Code of Iowa were noted.

The Telecommunications Board has not adopted a written investment policy as required by Chapter 12B.10B of the Code of Iowa.

Webster County Metropolitan Law Enforcement Telecommunications Board

Schedule of Findings

Year ended June 30, 2008

Recommendation – The Telecommunications Board should adopt a written investment policy to comply with the provisions of Chapter 12B.10B of the Code of Iowa.

Response – The Board is in the process of adopting a written investment policy. The only investment account we currently use is IPAIT.

Conclusion – Response accepted.

Webster County Metropolitan Law Enforcement Telecommunications Board

Staff

This audit was performed by:

Ronald D. Swanson, CPA, Manager
Donald J. Lewis, CPA, Senior Auditor

A handwritten signature in black ink that reads "Andrew E. Nielsen". The signature is written in a cursive style with a prominent initial 'A'.

Andrew E. Nielsen, CPA
Deputy Auditor of State