



INTERAGENCY INTERNAL AUDIT AUTHORITY FREDERICK COUNTY, MARYLAND

COUNTY GOVERNMENT PUBLIC SCHOOLS COMMUNITY COLLEGE
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COUNTY MANAGER

Douglas D. Browning

DIRECTOR

Martin T. Standel, CIA



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December 20, 2006

Gordon D. Deans
Executive Director
State of Maryland
Department of Public Safety and Correctional Services
Emergency Number Systems Board
115 Sudbrook Lane, Suite 201
Pikesville MD 21208

Dear Mr. Deans:

Enclosed is our audit report relative to Frederick County 911 Revenues and Expenditures for the fiscal year ended June 30, 2006.

Frederick County's revenues and expenditures are recorded in the Emergency Communications Department's operating account within the County's financial system. These accounts also include transactions that are not 911 related. In preparing the 911 reports, Steve Leatherman, Bureau Chief, Support Services, Frederick County Division of Fire & Rescue Services analyzes the accounts and determines which costs are allowable for inclusion in the report.

Our review of the County financial records and the *Actual Receipts and Expenditures Report* submitted by Mr. Leatherman indicate that 911 revenues and expenditures have been properly recorded and reported in all material respects. However, I have included a copy of the *Comparative Statement of 911 Revenues and Expenditures for Year Ended June 30, 2006* with changes made as a result of my audit. Frederick County Fire and Rescue erroneously reported personnel expenditures based on 70% of all 911 personnel expenditures, rather than the 70% of 911 fee revenues allowed by statute. This had no material effect on total expenditures of 911 fees, but did change the allocation of some 911 revenues.

Sincerely,

Sonja L. Erickson
Auditor I
Frederick County
Internal Audit

Enclosures



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INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying Statement of *911 Revenues and Expenditures of Frederick County, Maryland for the year ended June 30, 2006* (Exhibit A), under Public Safety Article § 1-301 through 1-312 of the Annotated Code of Maryland. The financial information contained in this statement as well as compliance with applicable laws and regulations is the responsibility of Frederick County management. Our responsibility is to express an opinion on the statement based on our audit.

We conducted our audit in accordance with generally accepted 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 statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. As part of our audit, we also tested expenditures for compliance with Public Safety Article § 1-312 of the Annotated Code of Maryland, obtained an understanding of internal controls and assessed control risk. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the statement referenced above presents fairly, in all material respects, the 911 revenues and expenditures of Frederick County, Maryland, for the year ended June 30, 2006, in conformity with generally accepted accounting principles and consistent with Public Safety Article § 1-301 through 1-312 of the Annotated Code of Maryland.

COUNTY MANAGER

Douglas D. Browning

DIRECTOR

Martin T. Standel, CIA



December 20, 2006

Interagency Internal Audit Authority

FREDERICK COUNTY MARYLAND
COMPARATIVE STATEMENT OF 911 REVENUES AND EXPENDITURES
For Year Ended June 30, 2006

REVENUES	2006	2005
Revenue from County imposed fees	\$ 1,776,564 ^{1/2}	\$ 1,728,172
County funds required	1,485,749	1,206,133
Total Revenues	<u>\$ 3,262,313</u>	<u>\$ 2,934,305</u>

EXPENDITURES	911 Fee	County	Total	Total
Personnel	\$ 1,243,595 ³	\$ 1,159,156	\$ 2,402,751	\$ 2,128,584
Telephone	302,846	-	302,846	308,072
Equipment - Replacement	-	-	-	2,528
Repairs and maintenance	230,123	255,980	486,103	431,952
Utilities	-	10,330	10,330	10,732
Training	-	12,215	12,215	17,007
Miscellaneous	-	48,072	48,072	35,430
Total Expenditures	<u>\$ 1,776,564</u>	<u>\$ 1,485,753</u>	<u>\$ 3,262,317</u>	<u>\$ 2,934,305</u>

Notes to Financial Statement

¹ Third and Fourth quarter fee revenues recorded, are estimates received from the State.

² Interest revenue included in this figure for FY 2006 estimated as this financial data was unavailable as of the report date. Estimate calculated based on the imputed interest rate paid on FY 2005 fee revenue.

³ Reported personnel expenditures differ from *Actual Receipts and Expenditures Report* submitted by Frederick County Fire and Rescue. Reported personnel expenditures were based on 70% of all 911 personnel expenditures, rather than the 70% of 911 fee revenues per Maryland Code.