



Michigan
Office of the Auditor General
REPORT SUMMARY

Performance Audit

Report Number:
 551-0146-11

Emergency 9-1-1 Fund

*Michigan Department of State Police and
 Department of Treasury*

Released:
 February 2012

The Emergency 9-1-1 Fund provides for the ongoing costs of operating, maintaining, and upgrading Michigan's 9-1-1 system. Michigan's 9-1-1 system is funded by 9-1-1 service charges for communication devices that can access the system, such as local and cellular telephones. The service charges are collected by service suppliers from service users and remitted to the Emergency 9-1-1 Fund. The revenue collected in the Fund is primarily distributed to the counties' public safety answering points that dispatch public safety response services in response to 9-1-1 calls.

Audit Objective:

To assess the effectiveness of the Michigan Department of State Police (MSP) and the Department of Treasury's efforts in ensuring the collection of emergency 9-1-1 service charge revenue.

Audit Conclusion:

We concluded that MSP and the Department of Treasury's efforts were moderately effective in ensuring the collection of emergency 9-1-1 service charge revenue. We noted one material condition (Finding 1).

Material Condition:

MSP and the Department of Treasury should pursue amendatory legislation and other measures necessary to ensure that all service suppliers collect and remit all emergency 9-1-1 service charge revenue (Finding 1).

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Audit Objective:

To assess the effectiveness of MSP's efforts to establish the emergency 9-1-1 county service charge rate for prepaid service users.

Audit Conclusion:

We could not conclude on the effectiveness of MSP's efforts in establishing the emergency 9-1-1 county service charge rate for prepaid service users because the legislation is unclear. We noted one reportable condition (Finding 2).

Reportable Condition:

MSP should seek amendatory legislation or an Attorney General Opinion regarding the calculation of the county 9-1-1 charge rate for prepaid service users (Finding 2).

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Audit Objective:

To assess the effectiveness of MSP's efforts to monitor public safety answering point (PSAP) expenditures of the Emergency 9-1-1 Fund distributions.

Audit Conclusion:

We concluded that MSP's efforts were moderately effective in monitoring PSAP expenditures of the Emergency 9-1-1 Fund distributions. We noted one reportable condition (Finding 3).

Reportable Condition:

MSP did not ensure that county PSAP expenditures were audited. As a result, county PSAPs received \$23.9 million and \$24.5 million of Emergency 9-1-1 Fund revenue for fiscal years 2008-09 and 2009-10, respectively, without providing audit assurance that funds were expended exclusively for 9-1-1 services (Finding 3).

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Agency Responses:

Our audit report contains 3 findings and 3 corresponding recommendations. MSP's and the Department of Treasury's preliminary responses indicate that they agree with the recommendations.

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A copy of the full report can be obtained by calling 517.334.8050 or by visiting our Web site at: <http://audgen.michigan.gov>



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