



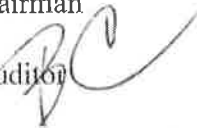
COUNTY OF WINNEBAGO

Office of the County Auditor

WILLIAM D. CROWLEY
County Auditor
Phone (815) 319-4206
bcrowley@wincoil.us

County Administration Building
404 Elm Street, Room 201
Rockford, Illinois 61101

June 8th, 2017

To: Frank Haney, Winnebago County Board Chairman
From: William D. Crowley, Winnebago County Auditor 
RE: 1% Public Safety Sales Tax Alternative Program Budget Authority

Pursuant to the Illinois Compile Statute 55 ILCS 5/Div. 3.1. Sec. 3-1005, the County Auditor is required to audit all claims against the County, and recommend to the County Board the payment or rejection of all claims presented.

On June 1st, 2017 my office was presented with a request to approve a payment of \$10,000 to the Youth Against Violence Organization with your signature as approval. In an email, the Chief Deputy Auditor (Bryan Cutler) questioned your budget authority as County Board Chairman to approve this payment by utilizing funds from the 1% Public Safety Sales Tax Alternative Program appropriation.

In an email to Mr. Cutler, you cited conversations with current and former staff as support for possessing a discretionary budget of \$20,000 to unilaterally select vendors for alternative programs. Afterwards, I surveyed the opinion of several County Board members to gain a level of comfort in regards to the specific expenditure in question, and I reluctantly decided to approve it. A check was disbursed the following day.

Having researched the issue more thoroughly, I now believe that you did not possess the authority to unilaterally select vendors or approve cumulative payments of up to \$20,000 from the 1% Public Safety Sales Tax Alternative Program appropriation. County Ordinance No. 92-CO-79, § 7(2-173), 11-24-92) places limits of authority of the County Board Chairman indicating that "no provision of this division is intended to vest in or grant to the county board chairman any duty or any authority which is vested by general law or by ordinance in any other county officer, official or employee. No provision of this division shall be construed to delegate to the county board chairman authority to be performed by the county board; nor shall the county board chairman have the power to bind, obligate or commit the county in any manner except as provided herein or by the express grant of authority by the county board".

Therefore, in my opinion, in the absence of any ordinance or resolution approved by the County Board to the contrary, you do not possess the aforementioned authority. We have confirmed with County Clerk Mullins that no such ordinance or resolution appears to have been approved by the County Board. Additionally, the County Board did not specifically approve a line item in the 2017 appropriations ordinance recognizing any \$20,000 discretionary amount. We were able to locate a document (attached) which mentions "Chairman's Selected Programs" which appears to describe funding discretionary programs by siphoning off funds from



COUNTY OF WINNEBAGO

Office of the County Auditor

County Administration Building
404 Elm Street, Room 201
Rockford, Illinois 61101

WILLIAM D. CROWLEY
County Auditor
Phone (815) 319-4206
bcrowley@wincoil.us

other alternative program vendors by charging them "administrative costs". We were unable to locate any evidence that this document was approved by the County Board.

The County Auditor's Office has no issue with Youth Against Violence Organization as an alternative program provider and we certainly have no issue with you as County Board Chairman possessing the aforementioned authority. However, unless a current ordinance or resolution granting that authority can be located, my recommendation is that you ask the County Board to retroactively approve this authority.

Additionally, I recommend that as part of the 2018 budget appropriation, you establish specific guidelines to be approved by the County Board which will address specifically how 1% Public Safety Sales Tax Alternative Program resources may be spent. These guidelines should include specific vendors, dollar amounts of awards and may or may not include a discretionary portion under the control of the County Board Chairman.

Please let me know if you have any questions or comments at 815-319-4206 or bcrowley@wincoil.us.

Alternative Programs

Remedies	\$146,475	139,738 - 16,729
Rosecrance	<u>\$206,431</u>	186,849 - 23,628
	\$352,906	336,637
Salvation Army	<u>\$100,000</u>	100,000 - 0
	\$452,906	436,837
Administrative Costs	* <u>\$ 48,124</u>	45,763
	\$501,030	481,398
* Chairman's Selected Programs (Includes Park Players, Juneteenth, Red Ribbon, Reachout Jail Ministry, Others)	\$ 20,000	20,000 - 0
Internal Programs (Primarily Reimbursement of Tommy Meeks salary for his work in the RIC Center and Finding jobs for Felons)	\$ 28,125	25,261 - 5,363 <hr style="width: 100px; margin-left: auto; margin-right: 0;"/> 45,761

Bryan Cutler

From: Frank Haney
Sent: Thursday, June 1, 2017 3:08 PM
To: Amanda Hamaker; Bryan Cutler
Cc: Carla Paschal; Julia Halsted; Bill Crowley; Joseph Bruscato
Subject: RE: Alternative Programs Question

Bryan,

I think some your math is wrong. I think some of your assumptions might be wrong as well.

I am surprised you wouldn't know the answers to some of these very basic finance-related items. You were in the Finance Dept last year. Why are you so confused about what the prior board passed if you were Steve's #2?

I spoke to Amanda and Carla recently as well as Chapman and Peterson in the past on this very subject. There was never any question about any of these things, including the Meeks allocation coming from the \$20K. There was also never any question about my ability to spend dollars allocated by the board in the FY '17 budget. I also recall discussing this budget authority with you in my office when I first became Chairman. Our discussion with consistent with what I heard from the others.

Can we proceed and get YAVO the monies or is there an actual issue here?

Respectfully,
Frank

P.S. – As an FYI - I actually mentioned at our last joint Finance / Economic Development Committee meeting that we were able to fund YAVO for \$10K. It was at the recommendation of Burt Gerl and several other board members. I vetted this and was comfortable with the organization, the fund balance of the 20K, and my authority as Chairman to ok this. So, I did.

Frank Haney

Chairman, Winnebago County Board

(815) 319-4225, Frank@WinColl.us
Winnebago County Administration Building
404 Elm Street, Room 533, Rockford, IL 61101

We will become the most accountable, collaborative, and transparent unit of government in the state of Illinois.



Bryan Cutler

From: Bryan Cutler
Sent: Thursday, June 1, 2017 1:25 PM
To: Amanda Hamaker
Cc: Chairman Haney; Bill Crowley
Subject: Alternative Programs Question
Attachments: 3058_001.pdf

Good Afternoon Amanda –

I received a prepaid request from the Chairman today requesting a payment to Youth Against Violence Organization (\$10,000) to be paid from the alternative program budget. I think the program easily fits into the County's definition of alternative programs. I did have some questions regarding the administration of the alternative programs for which I was hoping you could help me out.

1. I think there are 3 large commitments. Salvation Army (50,000), Remedies (139,286) and Rosecrance (196,286). Did the County Board approve these programs individually? Did you the County Board specifically approve the \$10,000 payment? Does any County Board resolution or ordinance require that to be the case or does administration approve?
2. I have heard before that the Chairman has a discretionary amount he can use from the alternative program budget. The last number I heard was \$20,000. Is this true and has this been formalized by the County Board?
3. If #2 is the case and the Chairman has \$20,000 of discretionary budget wouldn't he have already spent \$17,000? Tommy Meeks (\$12,000 or \$1,000 monthly), Lydia Home (\$3,000), Fatherhood Encouragement Project (\$1,000) and Winnebago County Housing Authority (\$2,000)
4. In considering questions 1-3 does the Chairman have proper authority to request a payment of \$10,000 for the Youth Against Violence Organization?

Please let me know your thoughts on these items.

Thank you

Bryan