



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 18, 2019

To: Winnebago County Board Members

From: William D. Crowley, Winnebago County Auditor

Re: June 8, 2019 Vehicle Accident (Policy Adherence Review)

On Saturday June 8, 2019, Winnebago County Board Chairman Frank Haney was involved in an automobile accident while operating a County owned vehicle. The County owned vehicle involved in the accident was a 2017 Ford Explorer that was delivered February 22nd, 2017 at a cost of \$26,404. At the time of the accident the vehicle's odometer read 24,650 miles.

At the scene of the accident Mr. Haney received a citation for disregarding a traffic control light. The citation includes a mandatory court appearance. My office has been asked to perform a review of this accident and the overall use of the County owned vehicle by Mr. Haney strictly in the context of adherence to policies established by the Winnebago County Board.

The specific policy criteria and description of adherence are as follows:

Sec. 62-28 Vehicle Policy

“All employees are required to submit a county owned vehicle authorization form annually to utilize a county owned vehicle on a regular or occasional basis.”

Mr. Haney received an email on December 28, 2018 which included the then newly approved vehicle policy and a request to submit a county owned vehicle authorization form. To date, Mr. Haney has not submitted the county owned vehicle authorization form. As a result of this form not been submitted, the County has been unable to properly calculate taxable amounts associated with the personal vehicle use by Mr. Haney.

“All drivers are required to hold a valid drivers' license within the proper classification and shall follow all county rules, policies”

Mr. Haney did not possess a valid driver's license at the time of the accident as his license expired on May 23rd, 2019. Mr. Haney had received a notice of an expiring driver's license from the Winnebago County Human Resources office on April 29th, 2019 and indicated he would address the issue. Since the accident, Mr. Haney has renewed his driver's license.

All drivers “shall follow all county rules, policies and procedures as well as all federal, state, and locals when driving on county business”

The registration with the Secretary of State for the vehicle involved in the accident had expired on April 30, 2018. A check was requested and approved by Mr. Haney on February 4th, 2019 for the registration renewal and was issued and delivered to the County Board Office on February 8th, 2019. The check is listed as outstanding with the County Treasurer indicating a likelihood that the check was never used for its intended purpose.

It is our mission to provide high quality services and promote a safe community for all people in Winnebago County.



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

“All county owned vehicles shall bear municipal license plates except those specifically indicated for undercover law enforcement activities.”

The 2017 Ford Explorer displayed standard passenger car license plates at the time of the accident. As the license plates were expired in excess of a year the time of the accident we are unaware if the license plates were still assigned to the vehicle by the State of Illinois.

“Authorized use of county owned vehicles by employees is for bona-fide county business purposes and only when in the best interest of conducting county business.”

Mr. Haney indicated in an interview with me that on the day of the accident he was operating the vehicle for both personnel and business related activities and that his son was in the vehicle at the time of the accident. At the time of accident, Mr. Haney was traveling to a graduation party.

The County Board Chairman’s compensation from December 1, 2016 through November 30, 2020 was established on May 27, 2016 as being “\$95,658 Plus Vehicle”. No additional guidance or restrictions had been established by the County Board at the time this compensation package was approved. In our view, the term “Plus Vehicle” used in the context of compensation would seem to indicate a certain level of personal use.

The County Board passed a comprehensive vehicle policy in November 2018. Using this policy as a test, we believe Mr. Haney’s personal use of the County owned vehicle would clearly be a violation. However, the compensation of the County Board Chairman was established in May of 2016 and we believe included some amount of personal use of a County owned vehicle.

The Illinois Constitution states “An increase or decrease in the salary of an elected officer of any unit of local government shall not take effect during the term for which that officer is elected.” Disallowing any personal use of the County owned vehicle by Mr. Haney would potentially change the terms of his compensation and therefore we believe Mr. Haney’s compensation structure and the County vehicle policy are incompatible.

Employees shall “Not use vehicle for vacations, transporting family members, car-pooling, or for personal gain, such as delivering goods or services, or operating private pools where riders pay the driver.”

Mr. Haney was transporting his son at the time of the accident. Using the current policy as a test this would be clear violation. Mr. Haney’s aforementioned compensation package includes the term “Plus Vehicle” and was approved with no indication of any restriction as far as we are aware.

The Illinois Constitution states “An increase or decrease in the salary of an elected officer of any unit of local government shall not take effect during the term for which that officer is elected.” Disallowing any personal use of the County owned vehicle by Mr. Haney would potentially change the terms of his compensation and therefore we believe Mr. Haney’s compensation structure and the County vehicle policy are incompatible.

It is our mission to provide high quality services and promote a safe community for all people in Winnebago County.



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

“Do not discuss fault, liability, or responsibility for the accident.”

In a social media post on June 17, 2018, Mr. Haney states “I feel terrible the accident was my fault and thank God nobody was hurt.”

Personal use of a County owned vehicle is a taxable benefit. The County Vehicle Policy states “For commuting miles, employees are required to submit a sworn detailed mileage report to their respective departmental payroll administration each payroll period by using the procedures established by county administration for payroll reporting.”

There are various methods of determining taxable income reporting resulting from the personal use a business owned vehicle including the commuting rule and lease value rule. The County has not received information from Mr. Haney detailing his personal use and mileage reporting of the County owned vehicle. As a direct result the County has not included the appropriate amounts in Mr. Haney’s gross wages or established the correct bi-weekly withholdings.

The requirement to report a description of his personal use of a County vehicle had been communicated to Mr. Haney in an email from the County Administrator on December 28, 2018. This email included the newly approved vehicle policy and a request to submit a county owned vehicle authorization form which included details of personal use and mileage reporting. To date, Mr. Haney has not submitted the form.

“Employees are required to report immediately all vehicle accidents or vehicle incidents to their department head, human resources and the county administrator. Submit all reports to human resources and the county administrator within 24 hours.”

Mr. Haney contacted the Purchasing Director and Human Resources Director within 24 hours. The County Administrator was not contacted as requirement in the vehicle policy. The appropriate reports were submitted the Human Resources department approximately 3 days after the accident.

Sec. 62-18 Drug and Alcohol Testing Policy

Employees may be required to undergo drug and/or alcohol testing. The types of testing that may be required include “testing following an incident involving property damage”.

The accident occurred on Saturday, June 8th. Mr. Haney was provided a replacement County owned vehicle on Sunday, June 9 prior to submission of a drug test which occurred on Monday June 10th.

Recommendations:

1. The County Board and Mr. Haney should obtain an official legal opinion from the Winnebago County State’s Attorney defining the term “Plus Vehicle” in the resolution establishing the County Board Chairman’s compensation package and how the vehicle policy approved in 2018 impacts this compensation.

It is our mission to provide high quality services and promote a safe community for all people in Winnebago County.



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

2. Winnebago County Human Resources should verify that Winnebago County and Mr. Haney are properly insured for the allowable vehicle use as described in the aforementioned State's Attorney's opinion.
3. Mr. Haney should complete the appropriate forms described in the vehicle policy associated with utilizing a County owned vehicle.
4. Check #382899 payable to Secretary of State for the registration renewal on the vehicle should be voided and a stop payment issued.
5. If the 2017 Ford Explorer is found to be repairable, the vehicle should be properly registered with the Secretary of State. The license plates should be municipal plates.
6. Currently the County provides Mr. Haney with a vehicle and all the costs associated with operating a vehicle such as maintenance, gas and insurance. We believe that the County should consider providing Mr. Haney with a vehicle stipend in lieu of providing a vehicle and all costs associated with a vehicle. **Any proposal should be reviewed and approved by the Winnebago States Attorney in an effort to not violate the Illinois State Constitution's local government elected official compensation provisions.**
7. The County's drug and alcohol testing policy is vague and should be reviewed by County Administration. We noted during this inquiry that no specific timeline is required for drug testing after a vehicle accident but rather the policy only notes that one **may** be required. Additionally, there are no provisions in the policy that prevent an employee from receiving another vehicle prior to submitting to a drug test after an accident.
8. An estimate of retroactive personal use should be included in Mr. Haney's gross income. Current personal use mileage should also be tracked and reported as described in the vehicle policy.
9. Custody of a replacement County vehicle was granted on a Sunday to an employee who had recently been in an accident in a County owned vehicle during non-business hours, had not completed a drug test, had no valid driver's license, had no valid registration on his previous vehicle, had not submitted the requested authorization forms and had been failing to submit proper mileage reporting. The Purchasing Director should exercise due care in ensuring that an employee is in compliance with all County ordinances prior to issuing a County owned vehicle.

Additionally, we recommend that the County Auditor or County Administrator consider performing a review and/or test of the procedures used by the Purchasing Office in granting custody of County owned vehicles.

Cc: Frank Haney, Winnebago County Board Chairman
Marilyn Hite Ross, Winnebago County State's Attorney
Susan Goral, Winnebago County Treasurer
Carla Paschal, Winnebago County Administrator

It is our mission to provide high quality services and promote a safe community for all people in Winnebago County.