

Special Report on the

Jackson County Commission

Jackson County, Alabama

August 24, 2018 through December 4, 2020

Filed: April 30, 2021



Department of Examiners of Public Accounts

401 Adams Avenue, Suite 280

Montgomery, Alabama 36104-4338

P.O. Box 302251

Montgomery, Alabama 36130-2251

Website: www.examiners.alabama.gov

Rachel Laurie Riddle, Chief Examiner



Rachel Laurie Riddle
Chief Examiner

State of Alabama
Department of
Examiners of Public Accounts

P.O. Box 302251, Montgomery, AL 36130-2251
401 Adams Avenue, Suite 280
Montgomery, Alabama 36104-4338
Telephone (334) 242-9200
FAX (334) 242-1775

Honorable Rachel Laurie Riddle
Chief Examiner of Public Accounts
Montgomery, Alabama 36130

Dear Madam:

A special examination was conducted for the Jackson County Commission, Jackson County, Alabama, for the period August 24, 2018 through December 4, 2020. Under the authority of the *Code of Alabama 1975*, Section 41-5A-19, I hereby swear to and submit this report to you on the results of the examination.

Respectfully submitted,

A handwritten signature in blue ink that reads 'Dixie Broadwater'. The signature is written in a cursive style.

Dixie Broadwater
Examiner of Public Accounts

rb

Table of Contents

	<i>Page</i>
Summary	A
Contains items pertaining to state and local legal compliance and other matters.	
Schedule of Findings	C
Contains detailed information about findings pertaining to state and local legal compliance and other findings.	
Additional Information	1
Exhibit #1 Commission Members and Administrative Personnel – a listing of the Commission members and administrative personnel.	2
Exhibit #2 Schedule of Charges – a schedule that provides details on amounts that an official of the Commission has been asked to repay.	3
Order of the Chief Examiner	4



Department of
Examiners of Public Accounts

SUMMARY

**Special Report on the
Jackson County Commission
August 24, 2018 through December 4, 2020**

The Jackson County Commission (the “Commission”) is governed by a five-member body elected by the citizens of Jackson County. The members and administrative personnel in charge of governance of the Commission are listed on Exhibit 1. The Commission is the governmental agency that provides general administration, public safety, construction and maintenance of county roads and bridges, sanitation services, and health and welfare services to the citizens of Jackson County.

This report presents the results of a special examination of the Jackson County Commission and a review of compliance with applicable laws and regulations in accordance with the requirements of the Department of Examiners of Public Accounts under the authority of the *Code of Alabama 1975*, Section 41-5A-12. We performed an examination of credit card transactions and other expenditures made by the Commission to determine whether inappropriate use of public funds occurred.

FINDINGS

Instances of noncompliance with state and local laws and regulations and other matters were found during the examination, as shown on the Schedule of Findings and they are summarized below.

- ◆ 2021-001 relates to the former Commission Chairman’s noncompliance with requirements prescribed by the Chief Examiner of Public Accounts and the county’s travel policy regarding credit card usage and documentation of credit card charges.
- ◆ 2021-002 relates to the former Commission Chairman’s failure to provide an adequate reason for mileage claimed for travel.

CHARGES AGAINST OFFICIAL

As reflected on Exhibit 2, the charges against the former Commission Chairman resulted from noncompliance with requirements prescribed by the Chief Examiner of Public Accounts and the county's travel policy related to credit card usage and documentation of credit card charges, as well as the failure to provide an adequate reason for mileage claimed for travel. Official demand was made on the former Chairman requesting payments totaling \$3,918.11. The former Chairman failed to appear at a meeting before the Chief Examiner and show just cause why the amounts should not be repaid; therefore, relief is accordingly denied as evidenced by the Order of the Chief Examiner contained in this report. After the Order of the Chief Examiner was issued, the charges were repaid in full.

EXIT CONFERENCE

The Commission members and administrative personnel, as reflected on Exhibit 1, were invited to discuss the results of this report at an exit conference held via teleconference. Individuals in attendance were: Commissioners: Danny Rich and Jason Venable; and Bob Manning, County Administrator. Also, in attendance was a representative from the Department of Examiners of Public Accounts: Dixie Broadwater, Special Projects Manager. The results of this report were also discussed individually via telephone with the former Commission Chairman, Tim Guffey.

Schedule of Findings

Schedule of Findings
August 24, 2018 through December 4, 2020

Ref. No.	Finding/Noncompliance
2021-001	<p><u>Finding:</u></p> <p>The <i>Code of Alabama 1975</i>, Section 41-5A-21, states that every county officer shall keep the books, records, and accounts and make the reports of his or her office in accordance with the systems, procedures, and forms as may be prescribed by the Chief Examiner of Public Accounts. In a memorandum dated January 25, 1994, the Chief Examiner prescribed certain minimum requirements applicable to the use of credit cards by County Commissions. The requirements were effective immediately and included the following:</p> <ul style="list-style-type: none">✓ The county's credit card can only be used for official travel outside the county and under absolutely no circumstances can the county's credit card be used to pay expenses of a personal nature.✓ Copies of all meal tickets (receipts) and credit card receipts should be retained for accounting and auditing purposes. If meals are purchased for more than one person, the individuals provided a meal should be identified on the credit card receipt.✓ A copy of the motel bill and credit card receipts should be retained for accounting purposes.✓ If a county vehicle is used in official travel, any gasoline tickets (invoice) and credit card receipts should be retained for accounting and auditing purposes. When traveling in a personal vehicle, the official should be reimbursed a per mile allowance, and under no circumstances can gasoline for one's personal vehicle be charged to the county's credit card. <p>The Alabama Attorney General has written various opinions regarding the use of public funds, including the following:</p> <ul style="list-style-type: none">✓ The purchase of flowers upon the death of a public official, a public employee or an employee's family member does not serve a public purpose.✓ A governing body may charge the expense of meals to the entity when a business meeting is already "in progress," there is merely a recess for eating in order for the meeting to continue, and the meals are incidental to the meeting. <p>Furthermore, the Commission's travel policy requires all employees to submit lodging invoices which provide details regarding the room rental and any daily charges, along with detailed meal receipts that indicate items purchased, not just the total charge from the credit card receipt.</p>

Schedule of Findings
August 24, 2018 through December 4, 2020

Ref. No.	Finding/Noncompliance
	<p><u>Finding Continued:</u></p> <p>Purchases made by the former Commission Chairman between August 24, 2018 and December 4, 2020 using the county's credit card were reviewed and revealed the following:</p> <ul style="list-style-type: none">✓ There were four transactions totaling \$102.54 for the purchase of alcohol and tobacco products.✓ There was one transaction for the purchase of six flower arrangements totaling \$190.75.✓ There was one transaction for the purchase of a car battery bought in the name of a private business that appeared to be personal totaling \$171.19.✓ There were 48 transactions totaling \$2,358.52 for the purchase of meals and other food. Receipts did not always indicate the individuals for which the meals were purchased or the business purpose of the meals.✓ There were 20 transactions totaling \$837.59 which were not properly documented to include invoices or itemized receipts as required. <p>The former Chairman failed to comply with requirements as prescribed by the Chief Examiner and the county's travel policy as adopted relating to credit card usage and documentation of credit card charges. As a result, the Jackson County Commission was exposed to the risk of loss. These credit card purchases totaling \$3,660.59 are reflected as a charge against the former Chairman on Exhibit 2.</p> <p><u>Recommendation:</u></p> <p>The Commission should ensure compliance with the documentation requirements applicable to the use of credit cards as prescribed by the Chief Examiner of Public Accounts, the County's travel policy and applicable Attorney General opinions regarding the use of public funds.</p>

Schedule of Findings
August 24, 2018 through December 4, 2020

Ref. No.	Finding/Noncompliance
2020-002	<p><u>Finding:</u> The <i>Code of Alabama 1975</i>, Section 11-3-4, allows for each member of the county commission to be entitled to reimbursement of mileage at the mileage rate allowed by the Internal Revenue Service while traveling in his or her personal vehicle within or outside the county, in performance of the duties of the office of county commissioner. The former Chairman of the Jackson County Commission claimed mileage to Talladega on April 28, 2019 for 219 miles and on October 13, 2019 for 225 miles with the reason for travel listed as “security”. The total amount paid for the mileage claimed on both dates was \$257.52 from the County’s general fund. The former Chairman failed to provide an adequate reason for claiming mileage to Talladega to be consistent with his duties as the county commission chairman. As a result, the payments for mileage are considered to be unallowable. The total amount of the milage paid to the former Chairman for the two trips to Talladega totaling \$257.52 is reflected as a charge against the former Chairman on Exhibit 2.</p> <p><u>Recommendation:</u> The Commission should ensure compliance with the <i>Code of Alabama 1975</i>, Section 11-3-4, relating to reimbursement of mileage for county business.</p>

Additional Information

Commission Members and Administrative Personnel
August 24, 2018 through December 4, 2020

<u>Commission Members</u>		<u>Term Expires</u>
Hon. Tim Guffey	Chairman	Resigned
Hon. Michael Ashburn	Chairman	October 31, 2018
Hon. Danny Rich	Member	2022
Hon. Jason Venable	Member	2022
Hon. Melinda Gilbert	Member	2020
Hon. Mike Sisk	Member	2020
<u>Administrative Personnel</u>		
Bob Manning	Administrator	Indefinite

Schedule of Charges

August 24, 2018 through December 4, 2020

Person/Official Charged	Date	Amount Charged	Amount Paid	Amount Relieved By Chief Examiner	Amount Unpaid	Description of Charge
Directly Charged to:						
Tim Guffey, Former Chairman Jackson County Commission						
Paid to						
Various	04/05/2019 through 08/19/2020	\$ 102.54	\$ 102.54	\$	\$	The former Chairman used the county's credit card to purchase alcohol and tobacco products.
Woods Cove Florist	02/14/2020	190.75	190.75			The former Chairman used the county's credit card to purchase six flower arrangements.
O'Reilly Auto Parts	04/15/2020	171.19	171.19			The former Chairman used the county's credit card to purchase a battery in the name of a private business.
Various	Various	2,358.52	2,358.52			The former Chairman used the county's credit card to purchase meals and food without adequate supporting documentation. Receipts were not always itemized and did not always indicate the individuals for which the meals were purchased or the business purpose of the meals.
Various	Various	837.59	837.59			The former Chairman used the county's credit care for various travel expenses and the purchase of goods that were not documented with receipts, invoices or itemized receipts as required.
Tim Guffey	05/10/2019	127.02	127.02			The former Chairman of the Jackson County Commission claimed mileage to Talladega on April 28, 2019, for 219 miles and on October 13, 2019, for 225 miles with the reason for travel listed as "Security". The former Chairman's reason for claiming mileage to Talladega is not consistent with his duties as the county commission chairman, therefore, the payments for mileage are considered unallowable.
Tim Guffey	10/28/2019	130.50	130.50			
Total Direct Charges		\$ 3,918.11	\$ 3,918.11	\$	\$	

This Page Intentionally Blank

Order of the Chief Examiner

ORDER OF THE CHIEF EXAMINER

RE: JACKSON COUNTY COMMISSION AUGUST 24, 2018 THROUGH DECEMBER 4, 2020

This matter of amounts due from the former Chairman of the Jackson County Commission was brought before me on the 15th day of March 2021, pursuant to the provisions of the *Code of Alabama 1975*, Section 41-5A-20. I am of the opinion that the former Chairman has failed to show just cause why the amounts due should not be paid. Therefore, relief is denied.

Entered this the 16th day of March, 2021.



Rachel Laurie Riddle
Chief Examiner