

**DRAFT**  
**Agenda**  
**Tuscola County Board of Commissioners**  
**Committee of the Whole**  
**Tuesday, November 3, 2009 – 8:00 A.M.**  
**Annex Board Room (207 E. Grant Caro, Mi.)**

**Non-Committee**

**Finance**

Committee Leaders-Commissioner Bardwell and Peterson

**Primary Finance Items**

1. **2010 Budget Development Update and Timeline**
  - **Information Systems Update**
  - **East Central Michigan Council of Governments Membership**
  - **Resource Conservation and Development District Membership**
  - **Health Insurance Negotiation**
  - **Equipment/Capital Improvement Fund**
  - **Submittal of Target Budgets to Departments**
2. **Establish Accounting to Administer Office of Highway Safety Grant (See A)**
3. **FOC Vehicle Purchase Request (See B)**
4. **Health Department Fee Schedule Change Request (See C)**
5. **2009 Audit Engagement Letter Approval (See D)**

**Secondary/On-Going Finance Items**

1. **Treasurer Bank Statement Reconciliation (Balanced through September)**
2. **ACS Contract Changes**
3. **Clerk/FOC Optical Imaging Update**
4. **Update Regarding Broadband Grant Application**
5. **Revolving Loan Fund and Enterprise Facilitation**
6. **SBCI – Great Lakes Restoration Initiative Grant Funds – Set Meeting Date with Bay County Executive**
7. **BCBSM Lawsuit Claim**
8. **Discussion of Tether Program Potentials**
9. **ATM, PayPal, Touch Pay Options for Courthouse**
10. **Remonumentation Program Update (See E)**
11. **Red Flag Rule**

## **Personnel**

Committee Leader-Commissioners Bardwell and Roggenbuck

### **Primary Personnel Items**

- 1. Information Regarding Veterans Affairs Committee (See F)**
- 2. Performance Bonuses for FOC Employees (See G)**
- 3. Boards and Commissions (See H)**
- 4. Accident Fund Work Comp Reporting Agent Agreement (See I)**

### **Secondary/On-Going Personnel Items**

1. Employee Recognition
2. Open Meetings Act Discussion for Boards and Commissions – Corporate Council and County Prosecutor
3. Mosquito Abatement Committee – Policy Review
4. Farmland Preservation Committee
5. Job Descriptions
6. Incorporate County Personnel Policies and Other key Personnel Information on the County Web Site
7. Backup Computer Support for Sheriff Department
8. Electronic Time Recording System
9. Circuit/Family Court Personnel Policies
10. County Organizational Chart
11. RFP for Labor/Personnel Legal Services

## **Building and Grounds**

Committee Leader-Commissioners Petzold and Kern

- 1. Review of FOC Potential Relocation to the Courthouse**
- 2. Request to Use Courthouse Lawn (See J)**
- 3. Wireless Connection Quote for Buildings and Grounds (See K)**

### **Primary Building and Grounds Items**

### **Secondary/On-Going Building and Grounds Items**

1. Human Services Building Remodeling Update
2. Follow-Up Work for NACO Energy Star Program
3. Adult Probation Phase II Environmental Assessment
4. Draft Airport Zoning Update
5. Energy Efficiency Grants Timeline and Application Procedures – Next Steps
6. County Jail State Inspection Report (**See L**)

## **Correspondence/Other Business as Necessary**

1. Resolutions from Other Counties
2. National Flood Insurance Program
3. Economic Development
  - County EDC Strategic Planning and CAT Integration
  - Economic Gardening
  - RBEG 3<sup>rd</sup> Year Application Enterprise Facilitation
  - East Central Michigan Council of Governments Coastal Zone Management Grant
  - Regional Tourism

### **Public Comment Period**

### **Closed Session – If Necessary**

### **Other Business as Necessary**

#### **Notes:**

Except for the Statutory Finance Committee, committee meetings of the whole are advisory only. Any decision made at an advisory committee is only a recommendation and must be approved by a formal meeting of the Board of Commissioners.

If you need accommodations to attend this meeting please notify the Tuscola County Controller/Administrator's Office (989-672-3700) two days in advance of the meeting.

This is a draft agenda and subject to change. Items may be added the day of the meeting or covered under other business at the meeting.

## **Statutory Finance Committee**

1. Claims Review and Approval



JENNIFER M. GRANHOLM  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF STATE POLICE  
LANSING



COL. PETER C. MUNOZ  
DIRECTOR

October 21, 2009

Undersheriff Glen Skrent  
Tuscola County Sheriff's Office  
420 Court Street  
Caro, Michigan 48723

Dear Undersheriff Skrent:

SUBJECT: TR-10-03

The Michigan Office of Highway Safety Planning (OHSP) has approved \$49,274 in federal funds for Highway Safety Project grant number TR-10-03, "Electronic Crash Capture and Submission Grant," for the grant period of October 21, 2009, through September 30, 2010.

**This grant is approved with the following conditions:**

1. **Funding is contingent upon the availability of U.S. Department of Transportation Highway Safety Funds.**
2. A grant orientation meeting is required and will be scheduled by your OHSP regional coordinator.
3. Quarterly progress and financial reports are due: January 30, April 30, July 30, and October 30.
4. Grantees must comply with the Certifications and Assurances set forth in this grant, please consult the grant application for further details.
5. Any changes to the grant's objectives, activities, and/or approved budget must have OHSP approval.

Please contact your OHSP regional coordinator, Steve Schreier at (517) 333-5306 if you have any questions regarding your grant. We look forward to working with you during the course of the project.

Sincerely,

MICHAEL L. PRINCE, DIRECTOR  
Office of Highway Safety Planning

bsr

Enclosures

cc: Ms. Clayette Zechmeister  
Mr. Gerald Peterson

Mike H.

**OFFICE OF FRIEND OF THE COURT  
54<sup>th</sup> JUDICIAL CIRCUIT FAMILY DIVISION**

(A)

Honorable Patrick R. Joslyn  
Chief Judge

Mary Lou Burns  
Friend of the Court

Hon. W. Wallace Kent, Jr  
Presiding Judge

Kyle A. Jaskulka, M.A.  
Circuit Court Administrator

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TO: Tuscola County Board of Commissioners

FROM: Mary Lou Burns, Friend of the Court *mlb*

RE: Purchase of FOC vehicle

DATE: October 30, 2009

The lease for the FOC vehicle ends December 2009. We found that the dealerships are no longer offering lease options and it has become necessary for the Friend of the Court to purchase a vehicle.

Attached are the purchase bids for vehicles and the analysis of how the Friend of the Court can purchase a new vehicle without further appropriation to the 215 fund.

I request that the Board approve the purchase of a vehicle and authorize the Chairperson to sign.

FRIEND OF THE COURT  
AUTOMOBILE BIDS

10/30/2009

	Pat Curtis Chevrolet Caro	Keyser Chevrolet Reese	Graff Chevrolet Davison
2010 Chevrolet Impala 4 dr Sedan	\$ 19,495.00	\$ 19,561.45	(2009 model) \$ 20,635.83 plus state fees etc

- 1) Auto dealers no longer leasing any vehicles, except extravagant ones
- 2) Chevrolet Impala bench seat works well with cage
- 3) Under CRP regulations, FOC cannot purchase vehicle on payments except a lease
- 4) County gains a vehicle for car pool after 5 years.
- 5) **Estimated Net cost of vehicle after CRP = \$8,595.20**
- 6) Current vehicle lease ends DECEMBER 2009.

**POSSIBLE MOTION:**

**Move to authorize the purchase of a 2010 Chevrolet Impala for the Friend of the Court from Pat Curtis in Caro for the bid of \$19,495.00 and authorize the Chairperson to sign all necessary documents.**

**ANALYSIS OF FUNDING  
IN FOC 215 FUND**

10/30/2009

215 Fund line item	Balance as of 10/27/2009 Budgetary Status Sheets	Additional FY2009 expenses	Savings in line item	Information source
143-704-000 Salaries Permanent	133,463.80	125,640.15	7,823.65	from Carrie Krampits distribution 5 more payrolls in 2009
143-711-000 Health & Dental Ins	47,455.67	24,000.00	23,455.67	per Mari Young - 2 more months to pay
143-715-000 FICA	12,700.37	9,479.55	3,220.82	from Carrie Krampits distribution 5 more payrolls in 2009
146-704-000 Security Wages	14,417.88	7,780.40	6,637.48	from Carrie Krampits distribution 5 more payrolls in 2009
146-711-000 Security Health & Dent	6,278.89	2,400.00	3,878.89	from Mari Young - 2 more months
146-715-000 Security FICA	1,323.89	609.70	714.19	from Carrie Krampits distribution 5 more payrolls in 2009
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Total Saved in Funding due to Enforcement Specialist Family Medical Leave Replacing Deputy FOC with lower paying position Use of PT in Security</b> </div>			<b>45,730.70</b>	<b>SUB-TOTAL</b>
143-971-000 Imaging/Data Workflow	(25,823.07)	High Estimate 35,000.00	(60,823.07)	from 10/27/09 Budgetary Status sheets
Less estimated CRP payable for data workflow			34,982.00	
Cost of 2010 Chevrolet Impala			(20,000.00)	
CRP in FY2009 for automobile- depreciated over 60 mo			190.09	only 1 month in 2009 thereafter CRP is \$2,281.08 annually for 5 years.
<b>Balance left over</b>			<b>79.72</b>	<b>Balance</b> after completion of Data Workflow project & purchase of vehicle

Tuscola County Friend of the Court  
Green St. Caro, MI. 48723

Bid for new 2010 Chevrolet Impala LS  
V6, Cloth Interior, Front Bench Seat,  
Loaded

This car is set up the same as your current vehicle.  
That means the radio, screen, will bolt right up from  
the old car to the new car.

With the Government discount, and General Motors  
“Bid Assistance”

Your price is \$19,495.00...Delivered  
Limited choice in colors...Silver, Grey, Gold, Blue

Thank You,  
John Gregor  
Pat Curtis Chevrolet  
john@patcurtischevrolet.com  
989-673-2171

OCT 08 2009

Prepared For:  
Mary Lou Burns  
Tuscola County Friend of the Court

Prepared By:  
administrator

REX MANNING  
KEYSER Chevrolet  
989 868 4181

REX@KeyserAuto.Com

## 2010 Chevrolet Impala

1WB19 4dr Sdn LS

\$ 19,561.45  
plus ANY STATE FEES

Photo may not represent exact vehicle or selected equipment.

Rex Manning @ Keyser Chevrolet  
989 868 4181  
rex@keyserauto.com



**KEYSER**  
THE CHEVROLET TRUSTEE  
THE CROWN OF MICHIGAN

10231 E. Washington  
Reese, MI 48757  
E-Mail: rex@keyserauto.com  
www.keyserauto.com

**“REX” MANNING**  
Sales & Leasing Consultant

(989) 868-4181  
(800) 427-5502  
Fax (989) 868-0931





**HANK GRAFF CHEVROLET, INC**  
 DAVISON, MICHIGAN 48423  
**PURCHASE WORKSHEET**

800 N. STATE ST.  
 (810) 653-4111  
 FAX (810) 654-2131

OWNER'S NAME **COUNTY OF TUSCOLA** DATE **12 JUN 19 09**

CO-OWNER \_\_\_\_\_ PHONE \_\_\_\_\_

ADDRESS **207 E GRANT ST** CITY **CARO** STATE **MI** ZIP **48723-**

ENTER MY ORDER FOR YR. **2009** MAKE **CHEVROLET** MODEL **IMPALA** COLOR **MOCHA BRES 46**

SERIAL NO. 2 G 1 W B 5 7 K 9 9 1 2 5 9 5 1 1 STOCK NO. **6-71493**

TRADE STK# ACV ENG. 4 6 8 CURRENT MARKET VALUE 22,897.85

YEAR MAKE AT AIR P. SEAT

MODEL BODY P.L. P.W. CASS. *Early Lease Return* 1,222.98

VIN. CD 4 X 4 0.00

MILES COLOR ENVIRONMENTAL PKG. 0.00

DR. LIC # SERV. CONTRACT 0.00

DOB PLATE # TOTAL 24,120.83

INS. CO. EXPIRES ( 2 TRADES ) TRADE ALLOWANCES 0.00

POLICY # DEDUCTIBLE CASH CAR DIFFERENCE

COMPREHENSIVE SALES TAX ON SELLING PRICE 0.00

COLLISION DEALER MARK-UP 0.00

AGENT New License or Transfer 0.00 Title Fee 15.00 15.00

ADDRESS TOTAL CASH DIFFERENCE PRICE 24,135.83

AGENT PHONE BALANCE OWED ON TRADE 0.00

PAYOFF TO BALANCE 24,135.83

ADDRESS BY DOC FEE

ACCT. # GAP 0.00

AMOUNT 0.00 GOOD UNTIL CR. LIFE 0.00

LEIN TO DISABILITY 0.00

OK'D BY LIPP# TYPE # REBATE 3,500.00

C/L MONTHLY TYPE # REBATE 0.00

A.H. SEMI # G.M. CR. CARD 0.00

APR WEEKLY RECEIPT # CUST. CASH 0.00

T.O. OK/CALL IN BALANCE DUE 20635.83

OK TO TYPE GMAC NBD C.U. OTHER

COMMENTS

DEAL# 357434 RI



**PAUL JAMES**  
 Commercial Vehicle Sales

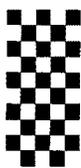
(810) 653-4111  
 (800) 521-0005  
 Direct (810) 654-2325  
 Fax (810) 654-2131

RETAIL SALES SUBJECT TO

CUSTOMER APPROVAL \_\_\_\_\_ sperson

THIS IS NOT AN ORDER UNTIL ACCEPTED





**Tuscola County Health Department**  
**Board of Commissioners Monthly Report for October 2009**  
 Prepared by: Gretchen Tenbusch, RN, MSA, Health Officer  
 Visit our website at [www.tchd.us](http://www.tchd.us)

**Outcomes for the Month:**

- The Health Department has closed the 0-3 Secondary Prevention Program due to loss of funding in this Fiscal Year.

**Issues under consideration by the Local Health Department:**

- The Health Department has received our first shipment of H1N1 vaccine. This vaccine is being distributed to us in small shipments to ensure that vaccine is available throughout the United States. We will follow all of the CDC and MDCH guidelines regarding prioritization of who will be receiving the vaccine. At this time, there is no predicted shortages of the H1N1 vaccine. We are still planning on holding mass vaccination clinics in each of the nine school districts. It will vary on the schools' population in regards to how many evenings we will be at each school. The parochial schools will be invited to the public schools in their area to receive their vaccinations.
- We are currently out of seasonal flu vaccine for the ages of 36 months-adult. We do not expect a shipment of seasonal flu vaccine until mid-November. The manufacturers that produce the seasonal flu vaccine and the H1N1 vaccine are both the same. As a result of this, they are having an issue keeping up production of both vaccines. There is no shortage in the seasonal flu vaccine, only a delay in shipment. It will not be too late to be vaccinated even in December.
- Our funding from the State is still not finalized. We are awaiting the legislatures' decision on the State budget. Once we have been informed what our official allocations are, our budgets will be revised.
- On September 25, 2009, the Environmental Health staff attended the MDCH training on the new Body Art (Tattoo) Regulations and Blood Borne Pathogens. This meeting only covered the legislation and not the inspection procedure. Genesee County Health Department has had Tattoo regulations in place prior to this legislation. They have agreed to allow our sanitarians to job shadow their inspector in order to become more familiar with the process.

**Issues to be brought to Board of Commissioners:**

- We would like to request the approval of the addition of Body Art Fees to Section 6 of the Tuscola County Health Department's Environmental Health Fee Schedule effective 11/1/09 as follows:
  - Inspection Fee - \$237
  - Follow-up Fee - \$156
  - Temporary Fee - \$237
  - Plan Review Fee - \$216
  - New Business Fee - \$453
 This fee is not inclusive of the State Licensing fee of \$500 initial, \$300 renewal, \$100 for temporary license.

October 13, 2009

Mr. Michael Hoagland  
Administrator/Controller  
Tuscola County  
207 Grant St.  
Caro, MI 48723

Enclosed is the engagement letter for **Tuscola County** for the year ended December 31, 2009. *Government Auditing Standards* (as amended) require that we communicate, during the planning stage of an audit, certain information to the County's Board of Commissioners. This information includes the auditors' responsibilities in a financial statement audit, including our responsibilities for testing and reporting on compliance with laws and regulations and internal control over financial reporting. The engagement letter includes the items which must be communicated to the County's Board of Commissioners.

Therefore, please make copies of the attached engagement letter and forward the copies to the County's Board of Commissioners.

Please sign and return the enclosed copy of the attached engagement letter to us at your earliest convenience.

Sincerely,



Enclosures

October 13, 2009

Tuscola County Board of Commissioners  
Tuscola County  
207 Grant St.  
Caro, MI 48723

We are pleased to confirm our understanding of the services we are to provide ***Tuscola County*** (the “County”) for the year ended December 31, 2009. We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, which collectively comprise the basic financial statements of the County as of and for the year ended December 31, 2009. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (“RSI”), such as management’s discussion and analysis (“MD&A”), to accompany Tuscola County’s basic financial statements. As part of our engagement, we will apply certain limited procedures to Tuscola County’s RSI. These limited procedures will consist principally of inquiries of management regarding the methods of measurement and presentation, which management is responsible for affirming to us in its representation letter. We will disclaim an opinion on RSI. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management’s Discussion and Analysis
2. Schedule of Funding Progress and Employer Contributions – Pension Plan
3. Schedule of Funding Progress and Employer Contributions – OPEB Plan

Supplementary information other than RSI, also accompanies the County’s basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and will provide an opinion on it in relation to the basic financial statements:

1. Combining and individual fund financial statements
2. Schedule of expenditures of federal awards

The following additional information accompanying the basic financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and for which our auditor’s report will disclaim an opinion:

1. Introductory section of the Comprehensive Annual Financial Report
2. Statistical section of the Comprehensive Annual Financial Report

### **Audit Objectives**

The objective of our audit is the expression of opinions as to whether the County's financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America and to report on the fairness of the additional information referred to in the second paragraph when considered in relation to the basic financial statements taken as a whole. Our audit of the County's financial statements does not relieve management or those charged with governance of your responsibilities. The objective also includes reporting on -

- Internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and *OMB Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations*.

The reports on internal control and compliance will each include a statement that the report is intended for the information and use of management, the body or individuals charged with governance, others within the entity, specific legislative or regulatory bodies, federal awarding agencies, and if applicable, pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of accounting records, a determination of major program(s) in accordance with Circular A-133, and other procedures we consider necessary to enable us to express such opinions and to render the required reports. If our opinions on the financial statements or the Single Audit compliance opinion are other than unqualified, we will fully discuss the reasons with management in advance. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

The concept of materiality is inherent in the work of an independent auditor. An auditor places greater emphasis on those items that have, on a relative basis, more importance to the financial statements and greater possibilities of material error than with those items of lesser importance or those in which the possibility of material error is remote. For this purpose, materiality has been defined as “the magnitude of an omission or misstatement of accounting and financial reporting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would have been changed or influenced by the omission or misstatement.”

### **Management Responsibilities**

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. Management is also responsible for preparation of the schedule of expenditures of federal awards in accordance with the requirements of OMB Circular A-133. As part of the audit, we will assist with preparation of the County’s financial statements, schedule of expenditures of federal awards, and related notes. You are responsible for making all management decisions and performing all management functions relating to the financial statements, schedule of expenditures of federal awards, and related notes and for accepting full responsibility for such decisions. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and the schedule of expenditures of federal awards and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you are required to designate an individual with suitable skill, knowledge, or experience to oversee any nonaudit services we provide and for evaluating the adequacy and results of those services and accepting responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including internal controls over compliance, and for monitoring ongoing activities, to help ensure that appropriate goals and objectives are met. Management is also responsible for the selection and application of accounting principles; for the fair presentation in the financial statements of the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County and the respective changes in financial position and, where applicable, cash flows in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making all financial records and related information available to us, and for ensuring that management and financial information is reliable and properly recorded. Management’s responsibilities also include identifying significant vendor relationships in which the vendor has the responsibility for program compliance and for the accuracy and completeness of that information. Management’s responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any

uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

We understand that management will provide us with such information required for our audit, including a reasonably adjusted trial balance, and that management is responsible for the accuracy and completeness of that information. Assistance provided in the preparation of a reasonably adjusted trial balance is considered an additional service. We will advise management about appropriate accounting principles and their application and may assist in the preparation of the County's financial statements, but the responsibility for the financial statements remains with management with oversight by those charged with governance. As part of our engagement, we may propose standard, adjusting, or correcting journal entries to the County's financial statements. Management is responsible for reviewing the entries, understanding the nature of any proposed entries and the impact they have on the financial statements, and the implications of such entries on the County's internal control over financial reporting. Further, the County is responsible for designating a qualified management-level individual to be responsible and accountable for overseeing these services.

Management is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the governmental involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Management's responsibilities include informing us of its knowledge of any allegations of fraud, suspected fraud or illegal acts affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, management is responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for identifying any violations by employees of the County's code of conduct. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow-up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary schedule of prior audit findings should be available for our review at the conclusion of fieldwork.

Management is responsible for establishment and maintenance of a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits or studies. Management is also responsible for providing its views on our current findings, conclusions, and recommendations, as well as management's planned corrective actions, for the report, and for the timing and format for providing that information.

If the County intends to publish or otherwise reproduce the financial statements concurrently with the original issuance of our audit report and make reference to our Firm name, such as for inclusion in an annual report, prospectus or similar document, the County agrees to provide us with printer's proofs, drafts, or masters for our review and approval before printing. The County also agrees to provide us with a copy of the final reproduced material for our approval before it is distributed. Fees, if any, for reissuance or inclusion of our audit report in such other document, will be based on our standard hourly rates.

If the County decides to include, publish or otherwise reproduce the financial statements and our report thereon at a date subsequent to their original issuance, such as for inclusion in a bond offering, prospectus or similar document, our Firm is presumed not to be associated with such document, and we have no obligation to perform any procedures with respect to such document. If, however, management takes certain actions, such as requesting a written consent from us prior to including our audit report in such an offering document, our Firm then becomes associated with the offering and in accordance with professional standards, we will be required to perform certain limited procedures with respect to unaudited information contained in the document. Fees for reissuance or inclusion of our audit report in such a document will be based on our standard hourly rates.

#### **Audit Procedures - General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because an audit is designed to provide reasonable, but not absolute assurance about whether the financial statements are free from misstatement, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors and any fraudulent financial reporting or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors are limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We may request written representations from the County's attorneys as part of the engagement, and they may bill the County for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from management about the financial statements and related matters.

We have advised the County of the limitations of our audit regarding the detection of fraud and the possible effect on the financial statements (including misappropriation of cash or other assets) notwithstanding our obligations per the Single Audit Amendments of 1996 and OMB Circular A-133. We can, as separate engagements, perform extended procedures specifically designed to detect defalcations. Management acknowledges that the County has not engaged us to do so at this time.

We perform services for the County based on present professional standards, laws and regulations. While we may on occasion be able to communicate with management with respect to changes in professional standards, laws and regulations, as a general principle we cannot undertake with clients to advise them of every change that may occur. The County can always obtain reassurance in this regard by contacting us for an updated review of the County's situation.

During the course of our engagement, we will request information and explanations from management regarding the County's operations, internal control over financial reporting, various matters concerning fraud risk, future plans, specific transactions, and accounting systems and procedures. At the conclusion of our engagement, we will require, as a precondition to the issuance of our report, that management provide certain representations in a written management representation letter. The procedures we will perform in our engagement and the conclusions we reach as a basis for our report will be heavily influenced by the written and oral representations that we receive from management. Accordingly, misleading, incomplete or omitted representations could cause us to expend unnecessary efforts or could cause material error or a fraud to go undetected by our procedures.

#### **Audit Procedures - Internal Controls**

Our audit will include obtaining an understanding of the entity and its business environment, including internal control over financial reporting sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures that are appropriate in the circumstances. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by OMB Circular A-133, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control, to identify deficiencies in internal control, or to express an opinion on the effectiveness of internal control over financial reporting. However, during the audit, we will communicate to the appropriate level of management and those charged with governance internal control related matters that are required to be communicated under professional standards, *Government Auditing Standards* and OMB Circular A-133. These matters refer to significant matters related to the financial statement audit that are, in our professional judgment, relevant to the responsibilities of those charged with governance in overseeing the entity's financial reporting process. When applicable, we are responsible for communicating certain matters required by laws or regulations, or by additional requirements that may be applicable to this engagement. Generally accepted auditing standards do not require the independent auditor to design or perform procedures for the purpose of identifying other matters to communicate with those charged with governance. Management is responsible for assessing the implications of and correcting any internal control-related matters brought to the entity's attention by us.

#### **Audit Procedures - Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the County's compliance with applicable laws and regulations and the provisions of contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Circular A-133 Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the County's major programs. The purpose of those procedures will be to express an opinion on the County's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

#### **Engagement Administration, Fees, and Other**

We understand that the County's employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing. In addition, the County's staff will provide us with copies of all minutes of the County's Board of Commissioners

meetings and other documents that we believe may have bearing on our evaluation of the County's financial affairs.

The County shall provide reasonable workspace for Rehmann Robson personnel at audit worksites, as well as occasional secretarial support services. The County understands that Rehmann Robson's performance is dependent on the County's timely and effective satisfaction of its own activities and responsibilities in connection with this engagement, as well as timely decisions and approvals by the County personnel.

Management agrees to ensure that all information provided to us is accurate and complete in all material respects, contains no material omissions and is updated on a prompt and continuous basis. Rehmann Robson shall be entitled to rely on all information provided by and decisions and approvals of the County in connection with our work. Rehmann Robson will not be responsible if any information provided by the County is not complete, accurate or current. In addition, management will also be responsible for obtaining all third-party consents and security clearances, if any, required to enable Rehmann Robson to access and use any third-party products necessary to our performance.

The County acknowledges that (a) Rehmann Robson, the County and others, if any, participating in this engagement may correspond or convey documentation via Internet e-mail unless the County expressly requests otherwise, (b) no party has control over the performance, reliability, availability, or security of Internet e-mail, and (c) Rehmann Robson shall not be liable for any loss, damage, expense, harm or inconvenience resulting from the loss, delay, interception, corruption, or alteration of any Internet e-mail due to any reason beyond Rehmann Robson's reasonable control.

It must be understood that the nature of our engagement requires us to exercise our independent professional judgment with respect to various auditing, accounting and related issues. In reaching our conclusions, we must retain the right to judge the nature and scope of the work required in order to conform to professional standards, as well as the work we deem necessary to enable us to reach the conclusions and form the opinions required of us. If our judgment as to the scope of the work required causes us to reassess our estimate of fees for this engagement, we will so advise the County. We reserve the right to refrain from performing additional work (and thereby incurring additional time charges) unless and until the County has confirmed its understanding of, and agreement to, any additional estimated charges.

Professional standards require us to be independent with respect to the County in the performance of our services. Any discussions that management has with personnel of our Firm regarding employment could pose a threat to our independence. Therefore, we request that management inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence.

Neither party shall, during the term of this engagement letter and for one (1) year after its termination, solicit for hire as an employee, consultant or otherwise any of the other party's

personnel without such other party's express written consent. If the County desires to offer employment to an associate of Rehmann Robson and the associate is hired in any capacity by the County and the County agrees, a market-driven compensation placement fee may apply.

The County may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with management regarding the scope of the additional services and the estimated fees. We also may issue a change order form or a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

Our fee for the audit services for the year ended December 31, 2009, will be \$35,900. Our invoices for these fees are due and payable as follows:

April 5, 2010	\$ 15,000
May 10, 2010	16,000
June 30, 2010	<u>4,900</u>
<b>Total</b>	<b><u>\$ 35,900</u></b>

This fee is based on the assumption that unexpected circumstances will not be encountered during the audit. This fee is based on anticipated cooperation from the County personnel, continued readiness and proactive assistance on their part in providing us with complete and accurate information (whether financial or nonfinancial in nature) considered necessary by us to form an appropriate opinion, and the assumption that unexpected circumstances will not be encountered during the audit. Such circumstances include, but are not necessarily limited to significant addition or deletion of funds, component units or related entities and first-time application of significant new professional accounting or auditing pronouncements. In addition, the fee above assumes management will analyze and maintain appropriate support for significant valuation assertions embodied in the financial statements.

Our estimate of these fees is based upon our discussions with management, in which management has disclosed no unusual problems or issues which would require us to conduct an audit of unusual scope or otherwise expend time and effort in excess of that normally anticipated in an engagement of this type. The estimate also assumes that we will have the full cooperation of the County personnel, as required, and that there is a reasonable continuity of the County's personnel familiar with the matters to which our engagement relates. In addition, our fee is based on the experience level of our personnel, at their respective standard hourly rates, performing certain audit procedures at certain timeframes. If we are caused to vary from that planning formula, additional fees will need to be charged to allow for more experienced personnel performing the work, reallocation of our client priority, overtime, etc. Further, management will provide us with the schedules and records that we request (which ordinarily are detailed in a request list in advance of our fieldwork) and that all such schedules and records will be provided to us timely in accordance with the scheduled fieldwork

dates, to be mutually agreed upon. If the requested schedules and records are not provided to us in accordance with the scheduled dates and we are unable to continue our work, we will resume our work as soon as the schedules and records are provided to us and our professionals assigned to the engagement again become available. If significant additional time is necessary, we will discuss the related circumstances with management and arrive at a new fee estimate, which may or may not occur before we incur the additional time.

In accordance with our Firm policies, work may be suspended if the County's account becomes 30 days or more overdue and will not be resumed until the account is paid in full or we have a definitive payment agreement approved by our Firm administrator in Saginaw, Michigan. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. The County will be obligated to compensate us for all time expended and to reimburse us for out-of-pocket expenditures through the date of termination.

Our terms and conditions impose a late charge of 1.5% per month, which is an annual percentage rate of 18%. Balances not paid within 30 days of the receipt of invoice are past due and a late charge of 1.5% will be applied to the entire past due amount.

Because there are inherent difficulties in recalling or preserving information as the period after an engagement increases, the County agrees that, notwithstanding the statute of limitations of the State of Michigan, any claim based on the audit engagement must be filed within 12 months after performance of our service, unless management has previously provided us with a written notice of a specific defect in our services that forms the basis of the claim.

We reserve the right to suspend or terminate services for reasonable cause, such as failure to pay our invoices on a timely basis or failure to provide the information or cooperation necessary for successful performance of our services. Our engagement will be deemed to be completed upon the notification of termination, even if we have not completed the audit and issued our signed report. The County is obligated to compensate us for the time expended to that point.

We acknowledge the County's right to terminate our services at any time, and the County acknowledges our right to resign at any time, including, but not limited to, for example, instances where, in our judgment, a) the conditions in the third paragraph of the Audit Objectives section of this letter exist; b) our independence has been impaired, c) we can no longer rely on the integrity of management, or d) management fails to reasonably support our efforts to perform the engagement in accordance with what we believe is necessary to comply with professional standards, subject in either case to our right to payment for charges incurred to the date of termination or resignation.

In the event that we determine to resign, and the County seeks damages allegedly resulting from such resignation, our maximum liability to the County in the event we are held liable because of such resignation shall be limited to the fees actually paid to us for current year audit work performed up to the date of resignation.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and a corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our reports for the County to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

The audit documentation for this engagement is the property of Rehmann Robson and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to a cognizant or grantor agency for audit or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify management of any such request. If requested, access to such audit documentation will be provided under the supervision of Rehmann Robson personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release or for any additional period requested by the cognizant agency, oversight agency for audit, or pass-through entity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the parties contesting the audit finding for guidance prior to destroying the audit documentation.

As part of our audit engagement we may provide advice on operating, internal control over financial reporting and other matters that come to our attention. Informal advice is not considered to be a consulting service unless we have entered into a separate engagement.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on the County's Internet web site, the County understands that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Our audit engagement ends on delivery of our audit report to the County's Board of Commissioners at the Regular or Special Board meeting. Any follow-up services that might be required will be part of a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service.

As a result of our prior or future services to the County, we might be requested to provide information or documents to management or a third party in a legal, administrative, or arbitration or similar proceeding in which we are not a party. If this occurs, our efforts in complying with such requests will be deemed billable to the County as a separate engagement. We shall be entitled to compensation for our time and reasonable reimbursement for our expenses (including legal fees) in complying with this request. For all requests, we will observe the confidentiality requirements of our profession and will notify management promptly of the request.

Our Firm, as well as all other major accounting firms, participates in a "peer review" program, covering our audit and accounting practices. This program requires that once every three years we subject our quality assurance practices to an examination by another accounting firm. As part of the process, the other firm will review a sample of our work. It is possible that the work we perform for the County may be selected by the other firm for their review. If it is, they are bound by professional standards to keep all information confidential. If management objects to having the work we do for the County reviewed by our peer reviewer, please notify us in writing.

The County consents to Rehmann Robson's use of the County's name and a factual description of the services to be performed by Rehmann Robson under this agreement in Rehmann Robson's advertising and promotional materials and other proposal opportunities.

*Government Auditing Standards* require that we provide the County with a copy of our most recent external peer review report and any letter of comments, and any subsequent peer review reports and letters of comments received during the period of the contract. Our 2008 peer review report and letter of comments accompany this letter.

We appreciate the opportunity to be of service to *Tuscola County* and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.



Gerald J. Desloover, CPA

Principal

Executive responsible for supervising the  
engagement and signing the report

ACKNOWLEDGEMENT:

This letter correctly sets forth the understanding of *Tuscola County*.

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

# Example CHANGE ORDER

Client: *Tuscola County* ("the County")

Date:

Project Description (and estimated completion date, if appropriate):

Price: \$ \_\_\_\_\_

We believe it is our responsibility to exceed the County's expectations. This Change Order is being prepared because performance by us of the above project and/or additional service efforts was not anticipated in our original Agreement, dated \_\_\_\_\_. The price for the above project has been mutually agreed upon by the County and Rehmann Robson. It is our goal to ensure that the County is never surprised by the price for any Rehmann Robson service and, therefore, we have adopted the Change Order Policy. The price above will be billed upon completion of the project.

If you agree with the above project description and the price, please authorize and date the Change Order below. Retain a copy for your records. Thank you for letting us serve you.

Agreed to and accepted:

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Date

# Lars nAllen<sup>LLP</sup>

CPAs, Consultants & Advisors  
www.larsonallen.com

Principals of Rehmann Robson  
and the  
Center for Public Company Audit Firms Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Rehmann Robson (the Firm) in effect for the year ended July 31, 2008, and have issued our report thereon dated November 7, 2008. The matters described below were not considered to be of sufficient significance to affect the opinion expressed in that report, which should be read in conjunction with this letter.

*Comment –*

The Firm's quality control policies and procedures indicate which situations may require consultation and which situations require a concurring reviewer. Our review disclosed situations not covered by the Firm's policies where audit procedures and documentation would have been improved had consultation or concurring review taken place. These situations did not, however, result in the issuance of an inappropriate report.

*Recommendation -*

The Firm should revise its quality control policies and procedures to modify the situations when, because of their nature or complexity, consultation or concurring review is required. Such situations might include industries with special accounting, auditing or reporting situations, emerging practice problems, new standards implementation, or the application of a regulatory agency's filing requirements.

*Comment*

On several audit engagements we noted that the documentation of internal control related matters identified were not completely or appropriately evaluated and summarized in the engagement files. We also noted in one specialized industry that the communication of matters with those charged with governance was not always clearly or consistently documented in the engagement files. From discussion with the engagement partners and review of practice aids and other documentation, we were able to determine that adequate communications took place on each engagement.

*Recommendation –*

The Firm should consider modifying its Firm engagement material and guidance to assist staff in more uniformly evaluating and summarizing identified internal control related matters to be communicated to management and others. In the specialized industry, the Firm should discuss in a staff meeting the importance of documentation of matters communicated with those charged with governance.

*Larson Allen LLP*  
LarsonAllen LLP

November 7, 2008  
Minneapolis, Minnesota



LarsonAllen LLP is a member of Nexia International,  
a worldwide network of independent accounting and consulting firms.

# Lars nAllen<sup>LLP</sup>

CPAs, Consultants & Advisors  
www.larsonallen.com

Principals of Rehmann Robson  
and the  
Center for Public Company Audit Firms Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Rehmann Robson (the Firm) applicable to non-SEC issuers in effect for the year ended July 31, 2008. The Firm's accounting and auditing practice applicable to SEC issuers was not reviewed by us since the Public Company Accounting Oversight Board (PCAOB) is responsible for inspecting that portion of the Firm's accounting and auditing practice in accordance with PCAOB requirements. A system of quality control encompasses the Firm's organizational structure and the policies adopted and procedures established to provide it with reasonable assurance of complying with professional standards. The elements of quality control are described in the Statements on Quality Control Standards issued by the American Institute of Certified Public Accountants (the AICPA). The design of the system, and compliance with it, are the responsibilities of the Firm. Our responsibility is to express an opinion on the design of the system, and the Firm's compliance with that system based on our review.

Our review was conducted in accordance with standards established by the Peer Review Committee of the Center for Public Company Audit Firms and included procedures to plan and perform the review that are summarized in the attached description of the peer review process. Our review would not necessarily disclose all weaknesses in the system of quality control or all instances of lack of compliance with it since it was based on selective tests. Because there are inherent limitations in the effectiveness of any system of quality control, departures from the system may occur and not be detected. Also, projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the system of quality control for the accounting and auditing practice applicable to the non-SEC issuers of Rehmann Robson in effect for the year ended July 31, 2008 has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA, and was complied with during the year then ended to provide the Firm with reasonable assurance of complying with professional standards.

As is customary in a peer review, we have issued a letter under this date that sets forth comments relating to certain policies and procedures or compliance with them. The matters described in the letter were not considered to be of sufficient significance to affect the opinion expressed in this report.

*Larson Allen LLP*  
LarsonAllen LLP

November 7, 2008  
Minneapolis, Minnesota



Larson Allen LLP is a member of Nexia International,  
a worldwide network of independent accounting and consulting firms.

## **Attachment to the Peer Review Report of Rehmann Robson (the "Firm") Description of the Peer Review Process**

### **Overview**

Firms enrolled in the AICPA Center for Public Company Audit Firms (the Center) Peer Review Program have their system of quality control periodically reviewed by independent peers. These reviews are system and compliance oriented with the objectives of evaluating whether:

The reviewed firm's system of quality control for its accounting and auditing practice applicable to non-SEC issuers has been designed to meet the requirements of the Quality Control Standards established by the AICPA.

The reviewed firm's quality control policies and procedures applicable to non-SEC issuers were being complied with to provide the firm with reasonable assurance of complying with professional standards.

A peer review is based on selective tests and directed at assessing whether the design of and compliance with the firm's system of quality control for its accounting and auditing practice applicable to non-SEC issuers provides the firm with reasonable, not absolute, assurance of complying with professional standards. Consequently a peer review of the firm's system of quality control is not intended to, and does not provide assurance with respect to any individual engagement conducted by the firm or that none of the financial statements audited by the firm should be restated.

The Center's Peer Review Committee (PRC) establishes and maintains peer review standards. At regular meetings and through report evaluation task forces, the PRC considers each peer review, evaluates the reviewer's competence and performance, and examines every report, letter of comments, and accompanying response from the reviewed firm that states its corrective action plan before the peer review is finalized. The Center's staff plays a key role in overseeing the performance of peer reviews working closely with the peer review teams and the PRC.

Once the PRC accepts the peer review reports, letters of comments, and reviewed firms' responses, these documents are maintained in a file available to the public. In some situations, the public file also includes a signed undertaking by the firm agreeing to specific follow-up action requested by the PRC.

Firms that perform audits or play a substantial role in the audit of one or more SEC issuers, as defined by the Public Company Accounting Oversight Board (PCAOB), are required to be registered with and have their accounting and auditing practice applicable to SEC issuers inspected by the PCAOB. Therefore, we did not review the Firm's accounting and auditing practice applicable to issuers.

### **Planning the Review for the Firm's Accounting and Auditing Practice Applicable to Non-SEC Issuers**

To plan the review of Rehmann Robson, we obtained an understanding of (1) the nature and extent of the Firm's accounting and auditing practice, and (2) the design of the Firm's system of quality control sufficient to assess the inherent and control risks implicit in its practice. Inherent risks were assessed by obtaining an understanding of the Firm's practice, such as the industries of its clients and other factors of complexity in serving those clients, and the organization of the Firm's personnel into practice units. Control risks were assessed by obtaining an understanding of the design of the Firm's system of quality control, including its audit methodology, and monitoring procedures. Assessing control risk is the process of evaluating the effectiveness of the reviewed Firm's system of quality control in preventing the performance of engagements that do not comply with professional standards.

### **Performing the Review for the Firm's Accounting and Auditing Practice Applicable to Non-SEC Issuers**

Based on our assessment of the combined level of inherent and control risks, we identified practice units and selected engagements with those units to test for compliance with the firm's system of quality control. The engagements selected for review included engagements performed under Government Auditing Standards and audits of Employee Benefit Plans. The engagements selected for review represented a cross-section of the Firm's accounting and auditing practice with emphasis on higher-risk engagements. The engagement reviews included examining working paper files and reports and interviewing engagement personnel.

The scope of the review also included examining selected administrative and personnel files to determine compliance with the Firm's policies and procedures for the elements of quality control pertaining to independence, integrity, and objectivity; personnel management; and acceptance and continuance of clients and engagements. Prior to concluding the review, we reassessed the adequacy of scope and conducted a meeting with Firm management to discuss our findings and recommendations.



STATE OF MICHIGAN

DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH  
LANSING

JENNIFER M. GRANHOLM  
GOVERNOR

STANLEY "SKIP" PRUSS  
DIRECTOR

October 14, 2009

Chairperson  
County Boards of Commissioners

Dear County Board Chairperson:

As Director of the Bureau of Construction Codes, I take pleasure in forwarding to you the ninth legislative report as required by statute on the activities and the progress of survey and remonumentation in the State of Michigan.

Public Act 345 of 1990, created the Survey and Remonumentation Commission and Public Act 346 of 1990 provided the funding for survey and remonumentation. Since the original Commission was appointed in June, 1991, a statewide Model County Plan for county remonumentation has been developed, and Administrative Rules for Act 345 have been promulgated by the Department and adopted by the Legislature. Including grants offered in 2009, \$101 million in grants has been made available to all 83 counties in the State of Michigan.

Details of these activities are included in the enclosed report. If you have any questions regarding the survey and remonumentation program, please feel free to contact the Survey and Remonumentation Program at 517-241-6321.

Sincerely,

Irvin J. Poke, AIA  
Director

IJP/KEL/jb

Enclosure

*Providing for Michigan's Safety in the Built Environment*

BUREAU OF CONSTRUCTION CODES  
P.O. BOX 30704 • LANSING, MICHIGAN 48909  
Telephone (517) 241-6321 • Fax (517) 241-6301  
[www.michigan.gov/deleg](http://www.michigan.gov/deleg)

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**9TH BIENNIAL REPORT TO THE LEGISLATURE**  
**Department of Energy, Labor & Economic Growth**  
**State Survey & Remonumentation Section**

**July 01, 2007 - June 30, 2009**

In December, 1990, the Legislature passed and the Governor signed into law the State Survey and Remonumentation Act, 1990 PA 345, which provided for the remonumentation of the original U.S. public land survey corners that serve as the basis for all public and private property locations in Michigan.

1990 PA 346 amended 1961 PA 236 to increase the fee for recording an instrument with the county register of deeds and provide that \$2 be remitted to the State Survey and Remonumentation Fund.

Act 345 created the State Survey and Remonumentation Commission within the Department of Commerce (now the Department of Energy, Labor and Economic Growth). The Department is charged with the responsibility of coordinating "the restoration, maintenance, and the preservation of the land survey records of vertical and horizontal monuments, the public land survey system, and the property controlling corners established by the United States public land survey and by the national geodetic survey within this state..." (Sec. 6a).

The original Commission appointed by the Governor on June 4, 1991 consisted of the following five members: a public member, an at-large professional surveyor; and professional surveyors representing the Northern Lower Peninsula, Southern Lower Peninsula, and Upper Peninsula.

Executive Reorganization Order 1996-2 transferred the statutory authority, powers, duties, functions and responsibilities of the Commission from the Department of Commerce to the Director of Consumer and Industry Services by a Type II transfer. The authority, powers, duties, functions and responsibilities of the Executive Director of the State Survey and Remonumentation Commission were transferred to the Director of the Department of Consumer and Industry Services by a Type III transfer, eliminating the Commission's Executive Director. Executive Reorganization Order 1997-12 transferred the statutory authority, powers, duties, functions and responsibilities of the Commission to the Director of the Department of Consumer and Industry Services by a Type III transfer, eliminating the State Survey and Remonumentation Commission.

1998 PA 5 amended Act 345 to allow a county to expedite their program by pre-funding its program and recovering expenditures by reimbursement over time with future grants, if any. Requirements of the expedited remonumentation program are that: 1) the county plan be approved by the Department and be adopted by the county board of commissioners consistent with provisions of the State Survey and Remonumentation Act; and 2) it be designed to complete monumentation and remonumentation of the entire county within a period of 19 years or less from the date the original county plan was first approved by the State Survey and Remonumentation Commission.

Act 345 also requires the Department to submit a biennial report to the Legislature on or before October 1 biennially. Reports have been provided in 1993, 1995, 1997, 1999, 2001, 2003, 2005, and 2007. This is the ninth biennial report on the State Survey and Remonumentation grant program and is prepared and submitted in fulfillment of the statutory requirement.

This biennial report will address the following six items as required by Act 345.

**1. Department activities regarding administration of this Act**

- a. As required by Section 6(1)(i) of the Act, the Department established a grant program to counties, developed the necessary forms and procedures, and promulgated administrative rules.
- b. The Department has approved and administered county monumentation and remonumentation survey work programs for all 83 Michigan counties since the program began in 1993 through the 2009 grant cycle. The grants are administered in compliance with each county's State Commission-approved county plan, the Act, and the Administrative Rules adopted in 1992.
  - 1) All 83 counties submitted an application for grant year 1993, and grants were awarded totaling \$4 million for the first grant year of this program.
  - 2) In 1994, all 83 counties submitted an application, and grants were awarded totaling \$5 million.
  - 3) In 1995, all 83 counties submitted an application, and grants were awarded totaling \$3 million. Early in 1995 grant year, Huron County withdrew from the grant program.
  - 4) In 1996, 1997, 1998, and 1999 all 83 counties submitted an application, and grants were awarded totaling \$4 million for each year.
  - 5) In 2000, all 83 counties submitted an application, and grants were awarded totaling \$4.5 million.
  - 6) In 2001, all 83 counties submitted an application, and grants were awarded totaling \$5 million.
  - 7) In 2002 and 2003, all 83 counties submitted an application, and grants were awarded totaling \$6 million each year.

- 8) In 2004, all 83 counties submitted an application, and grants were awarded totaling \$6 million. Otsego County withdrew from the grant during the year. In the Fall, a \$4 million supplemental appropriation was awarded; however only 79 counties participated in the supplemental grant.
  - 9) In 2005, all 83 counties submitted an application, and grants were awarded totaling \$10 million.
  - 10) In 2006 and 2007, all 83 counties submitted an application, and grants were awarded totaling \$10.134 million each year.
  - 11) In 2008, all 83 counties submitted an application, and grants were awarded totaling \$7.5 million.
  - 12) The total grant amount awarded for the 2009 grant cycle is \$4 million.
- c. Section 6(1)(d) of the Act requires the Department to "*coordinate the collection and preservation of information obtained from surveys made by persons or organizations authorized to establish monuments or land boundaries...*"

Pursuant to this responsibility, the Department developed and entered into a cooperative agreement with the Michigan Department of Transportation and conducts a similar cooperative effort with the Department of Natural Resources to coordinate relevant work activities and incorporate their survey and monumentation efforts with those conducted by the counties.

- d. Section 6(1)(c) of the Act requires the Department to "*coordinate the extension, densification, and maintenance of the horizontal and vertical control networks initiated by the federal government through the national geodetic survey and the United States geological survey.*"

Pursuant to this responsibility, the Department developed a contract with the National Oceanic and Atmospheric Administration/National Ocean Service/National Geodetic Survey (NOAA/NOS/NGS) to establish High Accuracy Reference Network (HARN) stations in the 51 counties that chose to participate in this national program. The Department served as the single contracting agency with NOAA/NOS/NGS on behalf of the counties. The result of this contract was to have NOAA/NOS/NGS establish 80 stations paid for by Survey and Remonumentation grant funds. These were in addition to the approximately 20 locations paid for and established by NOAA/NOS/NGS as High Accuracy Reference Network

paid for and established by NOAA/NOS/NGS as High Accuracy Reference Network (HARN) stations as part of the national program.

In 2006, the NGS initiated additional high accuracy spirit leveling and GPS measurements for a height modernization project in Macomb, Oakland, St. Clair and Wayne Counties. The Department coordinated work by these counties to include the necessary control station recoveries identified by the NGS in their 2006 work program and encouraged counties to prioritize their work program to achieve maximum benefit by the county, NGS and DOT.

Survey and Remonumentation Program grant funds have increased statewide efforts to "densify" the number of continuous operating reference stations (CORS). CORS allows highly accurate GPS measurements and greatly increases the accuracy and efficiency of field measurements. Currently there are 44 Survey and Remonumentation Program CORS in 25 counties. The data from operating CORS is available on-line to the public.

- e. The Department is charged with the responsibility to "*coordinate the establishment of geographic information systems*" (title of Act 345). In the furtherance of this responsibility, the Department has participated in the IMAGIN (Improving Michigan's Access to Geographic Information Networks) Data Sharing Network Agreement. The purpose of this cooperative venture is "to develop new methods and standards for geographic data exchange within the State of Michigan and to improve the application of geographic related data in state and local decision-making" (IMAGIN Data Sharing Network Agreement, February 23, 1993). Survey results are available on the Internet to aid in establishment of geographic information systems.
- f. Section 6(1)(f) of the Act requires the Department to "*establish and maintain a data base of information on approved monumented horizontal and vertical control in the state.*" The Department has obtained a computerized record of all current horizontal and vertical control stations within the state from NOAA/NGS. This data was made available to all 83 counties in November 1993. An update of this data was provided to each county in June 1995. Currently, all nationally published data of horizontal and vertical control stations, including updates, is accessible on the Internet.
- g. Section 6(a) of the Act requires the Department to "*coordinate the restoration, maintenance, and the preservation of the land survey records of vertical and horizontal monuments, the public land survey system, and the property controlling corners established by the United States public land survey and by the national geodetic survey within this state.*" In the furtherance of this responsibility, the Department developed a Memorandum of Understanding with the U.S. Bureau of Land Management, which is the federal agency with

the responsibility for the survey of public lands throughout the country. This document establishes a general framework for mutually beneficial cooperative efforts with specific cooperative endeavors being specified in supplements and addenda to the broad Memorandum of Understanding.

In 1993 the Department provided to all counties computerized descriptive data processing system software to allow standardized recovery reporting of horizontal and vertical control stations or the reporting of destroyed marks. Currently, the reporting form for recovery of control stations is filed on the internet, and this data is available for the public.

**2. An assessment of the progress of the implementation of county monumentation and remonumentation plans throughout the state**

This assessment is based upon the completed reports of the work programs submitted by all 83 counties as part of their annual survey and monumentation grant. A compilation of the results of the survey work programs completed in 1993 through the first half of 2008 for each work category is as follows: 1) Number of corners with research and monumentation completed – 121,502; 2) Number of control stations recovered – 2,305; 3) Number of points with coordinates set – 13,152; and, 4) Number of HARN stations installed – 80; 5) Number of CORS installed – 44. At this time, reporting of the 2008 and 2009 work programs have not been completed.

**3. A statement regarding the amount of money received and disbursed from the fund**

1990 PA 346 amended 1961 PA 236 which increased the fee for recording an instrument with the county register of deeds and provided that \$2 be remitted to the State Survey and Remonumentation Fund. This fee was increased by 2002 PA 700 and provided \$4 to be remitted to the fund with a sunset provision eliminating the additional \$2 in 2013.

In 2006, a one-time transfer of \$15 million from the Remonumentation Fund to the State General Fund was authorized by 2006 PA 76. Following the transfer, 2006 PA 662 was passed amending 1961 PA 236 to extend the sunset date on the additional \$2 filing fee for most recording documents at the county register of deeds from the year 2013 to 2023.

In addition, 30 of Michigan's 83 counties have contributed additional monies totaling \$6.5 million during the grant years 1995 through 2008. And the estimate of county contributions for the 20 year program is \$9 million.

Two (2) counties have participated in an expedited program and contributed a total of \$3.1 million toward future grant reimbursement from the state, if any. These two counties have

recaptured approximately \$1 million partial repayment under the provisions of 1990 PA 346.

As of June 30, 2009, approximately \$116 million has been deposited into the Fund. Disbursements from the Fund, including encumbrances, through the end of 2008 totaled approximately \$101 million. Additionally, an estimated \$4 million has been committed for FY-2009 grant distribution.

**4. An assessment of how much money is necessary to carry out monumentation or remonumentation of the entire state**

This assessment is based on information provided by the counties. It is estimated that counties will need approximately \$233 million for the remonumentation of their public land survey corners.

**5. An assessment of whether the money received in the Fund is adequate to implement this Act**

Over the 20-year period, approximately \$140 million will be deposited into the Fund including county contributions. Based upon the estimate of the total cost of monumentation or remonumentation reported by the counties, it appears that the projected deposits into the Fund over the 20-year timeframe will not be adequate to complete this program as contemplated by the Act.

While some counties will be able to complete monumentation and remonumentation within their 20-year plans, many will not.

**6. Department Recommendations**

1990 PA 345 should be amended to revise the target date for completion of the state remonumentation program consistent with the Legislature's provisions for funding through the year 2023.

***Tuscola County Office of Veteran Affairs***  
***1309 Cleaver Road, Suite B***  
***Caro, Michigan 48723-9135***  
**Phone No: (989) 673-8114 ext 128**  
**Fax No: (989) 673-7490**

October 23, 2009

Tuscola County Board of Commissioners

The current members of the County Veterans Committee review all the applications received for the open positions on the County Veterans Committee. After discussion with the members the following recommendation for new committee members are submitted for your consideration and actions. The committee believes these new appointment will be of great benefit in assisting veterans within the County.

Request the following veterans be considered for appointment to the Tuscola County Veteran Committee:

Michael Downing  
4643 Elmwood Rd.  
Akron, Michigan 48701  
(989) 691-5364

Steven P. Myers  
1184 E. Caro  
Caro, Michigan 48723  
(810) 449-7354

Robert Schank  
1627 E. Caro Rd.  
Caro, Michigan 48723  
(989) 48723

Serving our Veterans

*Ron Amend*

Ron Amend  
Director

③

**OFFICE OF FRIEND OF THE COURT  
54<sup>th</sup> JUDICIAL CIRCUIT FAMILY DIVISION**

Honorable Patrick R. Joslyn  
Chief Judge

Mary Lou Burns  
Friend of the Court

Hon. W. Wallace Kent, Jr  
Presiding Judge

Kyle A. Jaskulka, M.A.  
Circuit Court Administrator

---

TO: Tuscola County Board of Commissioners

FROM: Mary Lou Burns, Friend of the Court *mlb*

RE: Friend of the Court Requests

DATE: October 28, 2009

The Friend of the Court requests the following:

**1. Approval for ongoing performance bonuses for FOC employees:**

For the years 2008 and 2009, the County Board approved performance bonus pay for the Friend of the Court employees in the amount of \$1,000 for the first year and then \$500 per employee for the second year provided that the Friend of the Court obtained a minimum of 80% for all factors. There are five criteria factors for each of the 3,421 cases:

- 1) Paternity Establishment for DP cases;
- 2) Open IV-D cases with support orders;
- 3) Open IV-D cases receiving current support;
- 4) Open IV-D cases receiving past due support; and
- 5) Cost benefit factor (return on each \$1.00 expended).

As of June 2009, Tuscola FOC ranked 4<sup>th</sup> in the state for collection of past due support and first in medical support (which is not yet calculated in the incentive formula). However, we fell short of the 80% last year by less than 1%. This year, we are within .4% and waiting for the final calculation by the State.

A rating of 80% on each of the five factors pays 100% of the performance incentives back to the County. Tuscola FOC competes with all other 82 Michigan counties for performance and Michigan FOC's compete with all other 49 U.S. states for federal performance incentives.

Attached is a spreadsheet showing the increase in county revenues that have been collected as a result of the increased work of the employees of the FOC.

Memo to County Board  
RE: Performance Incentives  
October 28, 2009  
Page two

By reaching the 80% on each factor, the FOC stands to gain the following:

- \$16,000 additional incentives annually (We now get \$93,696.00)
- \$ 6,023 additional revenues to County General Fund (projected \$117,027)

---

**Total \$22,023 additional revenues over FY2008**

If performance bonuses were paid, the cost would be:

\$500 X 16 employees = \$8,000  
Est. FICA, MERS \$1,200  
  
Less eligible CRP       -\$5,246

---

**Net cost \$3,954 (or \$5.83 return for each \$1.00 expended)**

I request that the following:

**That the County Board approve payment of ongoing bonus performance incentives at the annual rate of \$500.00 per employee provided that the performance bonus is available through the federal government and provided that the FOC meets the 80% criteria to obtain 100% of eligible performance incentive dollars on all determining factors as calculated by the Office of Child Support.**

CC: Honorable Patrick R. Joslyn, Circuit Judge  
Kyle A. Jaskulka, Court Administrator

**Revenues Increased  
by Increased Performance of the  
Friend of the Court**

10/28/2009

	<b>Court Costs to General Fund</b>	<b>Processing fees to General Fund</b>	<b>Statutory Fees to FOC 215 fund</b>	<b>Arrest &amp; Transport fees 215 fund</b>	<b>TOTALS</b>
FY2001	\$ 36,649.75	\$ 5,474.57	\$ 46,263.83	\$ -	\$ 88,388.15
FY2002	\$ 24,092.71	\$ 6,297.70	\$ 53,743.77	\$ -	\$ 84,134.18
FY2003	\$ 28,102.25	\$ 6,430.06	\$ 48,555.80	\$ 521.00	\$ 83,609.11
FY2004	\$ 41,895.84	\$ 11,511.94	\$ 39,730.15	\$ 326.74	\$ 93,464.67
FY2005	\$ 22,348.58	\$ 6,210.25	\$ 45,322.66	\$ 1,181.90	\$ 75,063.39
FY2006	\$ 34,446.48	\$ 7,400.11	\$ 50,906.58	\$ 1,298.18	\$ 94,051.35
<b>FOC started working for incentive bonus</b>					
FY2007	\$ 46,152.05	\$ 7,115.99	\$ 48,520.71	\$ 4,388.45	\$ 106,177.20
FY2008	\$ 46,607.41	\$ 6,688.04	\$ 50,153.14	\$ 2,882.72	\$ 106,331.31
FY2009 ACTUAL 10 months	\$ 42,921.11	\$ 5,606.45	\$ 42,328.76	\$ 2,772.56	\$ 93,628.88
<b>Projected 2009</b>	<b>\$ 51,505.33</b>	<b>\$ 6,727.74</b>	<b>\$ 50,794.51</b>	<b>\$ 3,327.07</b>	<b>\$ 112,354.66</b>
<b>*Increased \$\$\$ over FY2008</b>	<b>\$ 4,897.92</b>	<b>\$ 39.70</b>	<b>\$ 641.37</b>	<b>\$ 444.35</b>	<b>\$ 6,023.35</b>
<b>Percent Increase</b>	<b>10%</b>	<b>1%</b>	<b>1%</b>	<b>13%</b>	<b>5%</b>

\*(Increases even though the economy has been very poor and being the last accounts to be paid in the hierarchy of the MiCSES computer system)

**TUSCOLA COUNTY BOARDS & COMMISSIONS**  
**October 2009**

Current members whose terms are expiring December 2009. *New applicants are noted in italics:*

Recycling Advisory Committee – 2 positions

Donald Duggar\*

Tod Fackler\*

Department of Public Works - 2 positions

D. Joe Hembling\*

Joseph M. Robbins\*

Planning Commission – 4 positions

Donald B. Richards\*

Ione Vyse\*

Keith Kosik\*

Joseph M. Robbins\*

Public Health Board – 1 position

Eileen M. Hiser\*

Parks & Recreation Commission – 2 positions

Jenifer Robb\*

Vacancy

Central Dispatch Authority

*Craig R. Haynes* (Chiefs of Police Ass'n rep.)

Dave Mattlin (Fire Chiefs' Ass'n. rep.)

Matthew Foley (EMS. rep.)\*

\*Seeking reappointment

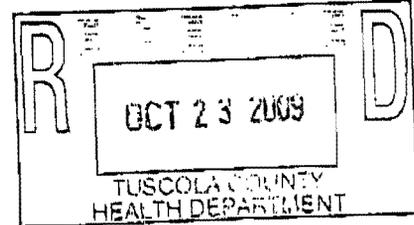
*New applicant*

232 S. Capitol Avenue  
 P. O. Box 40790  
 Lansing, MI 48901-7990  
 517 342 4200  
[www.accidentfund.com](http://www.accidentfund.com)



October 19, 2009

Doraine Caverly  
 County of Tuscola  
 207 E. Grant St.  
 Caro, MI 48723



RE: CMS, Section 111 Mandatory Reporting –Workers' Compensation

As you are aware, we have been assisting all our TPA clients with the required registration for the CMS, Section 111 Mandatory Reporting Provision as related to the Medicare, Medicaid, SCHIP Extension Act of 2007; which requires mandatory reporting with respect to Medicare beneficiaries who receive **settlements, judgments, awards** or other **payments** under workers' compensation and other insurance types.

Since January of 2008, the Accident Fund has been developing the software and required reporting tools needed to meet the Section 111 mandatory reporting required by CMS. We are prepared to report on behalf of our clients as required for those workers' compensation claims reported and paid from our office.

Enclosed you will find an Addendum to your current Service Agreement that will outline what the Accident Fund will perform as your Reporting Agent. In order for our office to assist you in your compliance with this required reporting in first quarter of 2010, you will need to sign and return the enclosed agreement in acceptance of the terms noted within thirty (30) days. A self addressed envelope is included for your convenience.

If you should so choose to elect to act as your own Reporting Agent or utilize another vendor you will need to advise our office as soon as possible.

If you have any questions regarding the required reporting for CMS, Section 111 or the enclosed Service Agreement please contact the undersigned.

Sincerely,

Tammy S. Richison  
 Corporate Claims Consultant  
 Excess Insurance – TPA Operations  
[TammyR@accidentfund.com](mailto:TammyR@accidentfund.com)  
 517-367-1896

Enclosure

Centers for Medicare & Medicaid Services (CMS)  
Section 111 Mandatory Reporting Requirement  
Reporting Agent Agreement

**Overview:**

Section 111 of the Medicare, Medicaid and SCHIP Extension Act of 2007 (MMSEA) created mandatory reporting obligations on self-insureds, employers/carriers and TPAs with respect to Medicare Beneficiaries (MB) who have medical coverage under a group health plan (GHP) as well as for Medicare Beneficiaries (MB) who received settlements, judgments, awards or other payment from liability insurance (including self-insurance), no fault insurance, or workers' compensation. A (MB) is a claimant who is on Medicare or entitled to Medicare.

***The following represents the responsibilities for only those claims referenced as Workers' Compensation programs laws or plans.***

This agreement is made and entered between the Accident Fund Insurance Company of America (Accident Fund) and the "employer" whom currently may have a Large Deductible Program, Service (Self-insurance), outside Excess Coverage or Excess Coverage issued by the Accident Fund, wherein claims are recorded by Accident Fund's claims office.

With acknowledgement and approval from the "employer", the Accident Fund will report those claims that are within the scope of the CMS Guidelines as required in Section 111 of the MMSEA. The employer will register as required and obtain the Responsible Reporting Entities (RRE) number for Large Deductible Programs and/or Self Insured Programs and supply this RRE number to the Accident Fund, the Reporting Agent.

Employer understands that under; "Section 111, the RRE may not shift its reporting responsibility to an agent, by contract or otherwise. The RRE remains solely responsible and accountable for complying with CMS instructions for implementing Section 111 and for the accuracy of data submitted."

The Accident Fund as Reporting Agent will report on employer's behalf as follows:

- 1-Manage the employers initial and quarterly submissions to CMS
- 2-Handle/process rejects for CMS
- 3-Handle/process all interface corrections
- 4-Manage the employer's TIN's and RRE id's for reporting purposes
- 5-Send the proprietary files (3) to CMS
- 6-Handle new data field needs as required by CMS
- 7-Full technical support
- 8-Full management of communication with CMS
- 9-Full management of client specific CMS reporting issues

The Accident Fund is not responsible for any employer's data which is not provided to Accident Fund and/or any provided data which is inaccurate or incomplete.

Cost Estimates:

For the service referenced in this addendum the Accident Fund will charge and employer will pay a processing fee of \$2,500 per policy year and this invoice for this service will follow.

This agreement is made and entered into by and between the Accident Fund Insurance Company and the employer; and shall be an addendum to the policy in force and at renewal on a yearly basis. Termination is subject to the terms and conditions as set forth in the master service contract/policy in force.

Dated: The Accident Insurance Company of America  
By: \_\_\_\_\_  
Title: \_\_\_\_\_

Dated: Employer: \_\_\_\_\_  
By: \_\_\_\_\_  
Title: \_\_\_\_\_

At this point we elect not to utilize Accident Fund Insurance Company of America as our Reporting Agent. Our Reporting Agent will be \_\_\_\_\_

Dated: Employer: \_\_\_\_\_  
By: \_\_\_\_\_  
Title: \_\_\_\_\_

\*\*Please sign and return this agreement to our office and we will execute and return signed agreement.

J



Future Youth Involvement



Youth  
Advisory  
Council

Empowering Youth Through Giving Since 1996

P.O. Box 534  
Caro, MI 48723

Phone: (989) 673-8223  
Fax: (989) 673-8223

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President

Sarah Buggia  
Vice President

Sarah Crane  
Secretary

Brian McNinch  
Board Liaison

Paula Gromak  
Advisor

John Hunter  
Advisor

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- Krystle Schuler
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- Haley Tomlinson
- Lynette Trisch
- Chris Walkowski
- Coryn Weiss
- Grant Woern

October 19, 2009

Tuscola County Board of Commissioners  
207 East Grant Street  
Caro, MI 48723

Dear Commissioners,

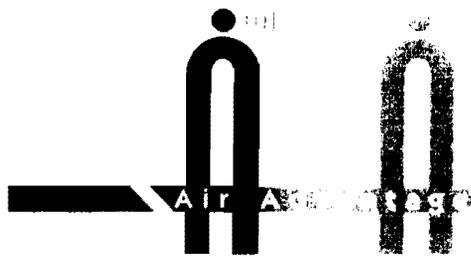
Since 2001, Future Youth Involvement, the Youth Advisory Council to the Tuscola County Community Foundation, has organized and hosted a community-wide event called Cardboard City Sleep-Out. The sleep-out exposes teenagers and adults to the challenges of the every day life of a homeless person. The event provides a safe environment in which participants are able to have fun while participating in educational and fun activities. The primary goal of the Cardboard City Sleep-Out is to raise awareness and funds for the Homelessness Prevention Fund of the Tuscola County Community Foundation.

This year's Sleep-Out is being planned for May 14-15, 2010 and we are asking for your help in making our event possible. As in years past, we would like to hold the event on the lawn of the Tuscola County Courthouse. We are requesting use of the Courthouse lawn beginning Friday, May 14th at 8 AM through Saturday, May 15<sup>th</sup> at 12 Noon. We look forward to working with you in making Cardboard City Sleep-Out possible.

Sincerely,

Emily Martin, President  
Future Youth Involvement

(K)



**Air Advantage**  
**Simple, High Speed, Wireless Internet**

October 20, 2009

Mike Miller  
Tuscola County Buildings & Grounds

RE: Wireless Connections Quote

Mike,

Thank you for the opportunity to quote you a wireless system for your data needs. This quote includes the installation of one Tranzeo 5GHz access point bridge and two Tranzeo 5GHz client bridges. The Tranzeo bridges are 802.11A compliant bridges offering wireless connections up to 54MB over the air (10-20MB of ethernet throughput).

Wireless Bridges (3 sites total – 1 Access Point, 2 Clients)

Tranzeo TR5A 5GHz Bridges (Qty 3)	\$1121.00	
10' Tripod (Qty 2)	\$230.00	
Installation Supplies – Outdoor CAT5, Grounding, Seal	\$120.00	
Installation Labor for (3) Wireless Bridges	\$1200.00	
		Wireless Bridge Hardware: \$1471.00
		Wireless Bridge Labor: \$1200.00
		<b>Wireless Bridge Total: \$2671.00</b>

Please contact me with any questions about this quote. I can be reached via email at [lkoglin@airadvantage.net](mailto:lkoglin@airadvantage.net) or via phone at 989-652-9500.

Leroy Koglin  
Air Advantage

①



STATE OF MICHIGAN  
DEPARTMENT OF CORRECTIONS  
LANSING

JENNIFER M. GRANHOLM  
GOVERNOR

PATRICIA CARUSO  
DIRECTOR

October 13, 2009

Sheriff Leland Teschendorf  
Tuscola County Sheriff's Office  
420 Court Street  
Caro, Michigan 48723

Re: Inspection Report

Dear Sheriff Teschendorf:

Enclosed is a copy of the final report concerning the inspection of the Tuscola County Jail that was conducted on September 28, 2009. A copy has also been sent to the Chairperson of the Tuscola County Board of Commissioners.

The Office of Community Corrections, County Jail Services Section congratulates you, your staff and the Tuscola County Board of Commissioners for maintaining compliance with the current Administrative Rules for Jails and Lockups.

Please feel free to call me at (517) 241-7230, or Jeffrey Cook at (517) 335-0049 if you have any questions.

Sincerely,

Victor E. Kuhlman, Manager  
County Jail Services Section  
Office of Community Corrections

✓ cc: Chairperson, Tuscola County Board of Commissioners  
file

Enclosure

# COUNTY JAIL INSPECTION REPORT

Patricia L. Caruso, Director  
Michigan Department of Corrections

## TUSCOLA COUNTY

County Jail Services Unit

Report Prepared by:

Jeffrey Cook

2009



**COUNTY JAIL INSPECTION REPORT  
TUSCOLA COUNTY  
September 28, 2009**

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## **Scope of Inspection**

An inspection was conducted on September 28, 2009, by the Michigan Department of Corrections, County Jail Services Section, as provided for by Act No. 232 of the Public Acts of 1953, as amended, being Section 791.262 of the Michigan Compiled Laws.

The inspection was conducted by Jeffrey Cook, Correctional Facility Specialist, County Jail Services Section. The exit conference was conducted with Sheriff Leland Teschendorf, and Jail Administrator, Lieutenant Penny Turner.

## **Inspection Objectives**

The inspection of the Tuscola County Jail had the following objectives:

1. To determine compliance with the Administrative Rules for Jails and Lockups of 1998, and applicable statutes for housing inmates in county jails.
2. To provide a document for follow-up and to resolve any areas of noncompliance with the Administrative Rules.

## **Background**

The Tuscola County Jail was constructed in 1966 with a capacity of 46 beds.

In 1988, renovations increased the capacity to 53 beds.

In 1994, additional renovations increased the rated design capacity to 56 beds.

In 1997, an addition to the jail increased the rated design capacity to 80 beds.

On the day of our inspection, the Tuscola County Jail was in compliance with all of the Administrative Rules for Jails and Lockups.