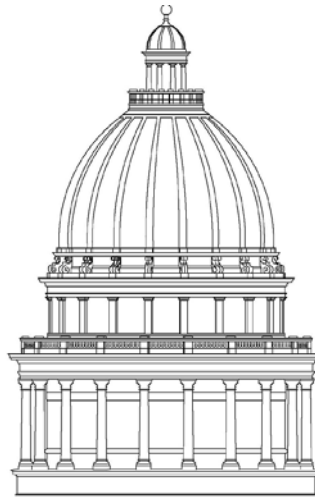


REPORT TO THE  
**UTAH LEGISLATURE**

Number 2009-16



**A Performance Audit  
of the  
911 System in Salt Lake County**

November 2009

Office of the  
LEGISLATIVE AUDITOR GENERAL  
State of Utah





STATE OF UTAH

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AUDITOR GENERAL

November 11, 2009

TO: THE UTAH STATE LEGISLATURE

Transmitted herewith is our report, **A Performance Audit of the 9-1-1 System in Salt Lake County** (Report #2009-16). A digest is found on the blue pages located at the front of the report. The objectives and scope of the audit are explained in the Introduction.

We will be happy to meet with appropriate legislative committees, individual legislators, and other state officials to discuss any item contained in the report in order to facilitate the implementation of the recommendations.

Sincerely,

John M. Schaff, CIA  
Auditor General

JMS/lm



# Digest of A Performance Audit of the 911 System in Salt Lake County

The 911 system allows the public to report emergency situations by telephone to a public safety answering point (PSAP) so that public safety agencies can quickly respond. This report addresses the emergency call-taking and dispatch operations at the Salt Lake Valley Emergency Communications Center (VECC) and the Salt Lake County Sheriff's Communications Division. Both organizations agreed to an audit by an independent third party to address the use of 911 surcharge revenue. Legislators added to our scope by asking that public safety and system efficiency be considered as well.

**Current Uses of the Local Surcharge Revenue Are Not Stated in the *Utah Code*.** Consumers' monthly telephone bills include a local 911 surcharge of \$.61 per month that generates about \$18 million per year and is controlled by the cities and counties that levy the tax. Utah law allows the revenue to be used for "establishing, installing, maintaining, and operating a 911 emergency telecommunications system." In addition to using surcharge revenue to cover the costs of emergency call taking, the Legislature should consider clarifying the statute by addressing whether PASPs can use the surcharge revenue: (1) for non-emergency calls, (2) for secondary PSAPs that only receive transferred 911 calls, and (3) for dispatch costs.

**Legislature Could Clarify Purpose of State Surcharge.** Telephone bills include a state 911 surcharge of \$.08 per month that generates about \$2.4 million per year and is used by the Utah 911 Committee to provide grants to PSAPs. Utah 911 Committee members recognize that some areas of the state have more PSAPs than necessary, but do not consider system efficiency in making grants. The Legislature should consider strengthening the role of the committee to give them authority to implement statewide planning for the 911 system.

**Organization of 911 System in Salt Lake County Is Inherently Inefficient.** When VECC receives a 911 call that needs a police response from an area that is dispatched by the Sheriff's Communications Division, the call is received and then transferred

## Chapter I: Introduction

## Chapter II: Legislature Should Consider Addressing Use of 911 Funds and Consolidation

## Chapter III: Organizational Concerns Hamper 911 System Effectiveness

from VECC to the Communications Division, resulting in duplication and slower emergency response times. To alleviate problems, a federal grant funded a bridge between the agencies' computer aided dispatch (CAD) systems.

**CAD-to-CAD Bridge Can Help Promote a More Efficient 911 Service.** The technological bridge electronically transfers detailed information about incidents between PSAPs. Although the data sharing provides quicker information, duplication still exists in the call-taking process. Two options to address the duplication are (1) VECC could provide the 911 call taking for the Sheriff's Communications Division, or (2) Sheriff's Communications Division could become a primary PSAP. We think VECC and the county should work to resolve concerns with the transfer of 911 calls. As directed by the Legislature, the Utah 911 Committee could also help guide future PSAP development from a statewide public safety perspective.

**Chapter IV:  
911 Surcharge  
Revenue Has  
Subsidized VECC's  
Dispatch Costs**

**VECC Has Overstated Call-Taking Expenses and Understated Dispatch Expenses.** Although VECC has a well-developed cost-accounting system, we found some employee benefit costs were not assigned correctly, and too great a percentage of indirect costs were allocated to call taking. After making these adjustments, we determined that VECC has about \$900,000 extra surcharge revenue available to subsidize dispatch costs. Unless the Legislature changes the statute to allow 911 surcharge funds to pay for dispatch costs, VECC should increase its dispatch charges to member agencies.

**Chapter V:  
County Surcharge  
Revenue Does Not  
Cover Call-taking  
Costs**

**County's Call-Taking Cost Estimate Is Low.** Although there is no analysis to support it, the county estimates that 35% of the Sheriff's Communications Division costs are for call taking. Our analysis showed 54% of costs are for call taking, a total of \$1.7 million in 2008. Only about 8% of the calls received at the Sheriff's Communications Division are from 911 lines, while 92% of the calls received are from 10-digit lines. Most of the calls received over 10-digit lines are non-emergency calls. Sheriff's Communications Division does not receive any 911 surcharge revenue from the cities where it responds to 911 calls, but it retained about \$530,000 of 911 surcharges from unincorporated areas in 2008. Since call-taking costs for unincorporated areas were about \$800,000, surcharge funds did not subsidize dispatch costs.

REPORT TO THE  
UTAH LEGISLATURE

Number 2009-16

**A Performance Audit  
of the  
911 System in Salt Lake County**

November 2009

Audit Performed By:

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# Table of Contents

	Page
Digest .....	i
Chapter I	
Introduction .....	1
VECC Serves as a Primary PSAP in Salt Lake County.....	1
Sheriff's Communications Division Serves as a Secondary PSAP.....	3
The State Has Established a Funding Mechanism for 911.....	4
Audit Scope and Objectives .....	6
Chapter II	
Legislature Should Consider Addressing Use of 911 Funds and Consolidation.....	9
Current Uses of the Local Surcharge Revenue Are Not Stated in <b>Utah Code</b> .....	9
Legislature Could Clarify Purpose of State Surcharge .....	14
Recommendations .....	17
Chapter III	
Organizational Concerns Hamper 911 System Effectiveness .....	19
Organization of 911 System in Salt Lake County Is Inherently Inefficient .....	19
CAD to CAD Bridge Can Help Promote a More Efficient 911 Service.....	22
Recommendations .....	28
Chapter IV	
911 Surcharge Revenue Has Subsidized VECC's Dispatch Costs .....	29
VECC Has a Well-Developed Cost-Accounting System.....	29
VECC Has Overstated Call-Taking Expenses.....	31
911 Call-Taking Revenues Are Sufficient.....	39
Recommendations .....	40

Chapter V	
County Surcharge Revenue Does Not Cover Call-Taking Costs .....	41
Cost-Accounting System Focuses on Fund Accounting.....	41
County's Call-Taking Cost Estimate Is Low.....	43
Call-Taking Costs Exceed County Surcharge Revenue .....	45
Recommendation .....	48
Appendices .....	49
Agency Responses .....	71

# Chapter I

## Introduction

This report addresses the emergency call-taking and dispatch operations at the Salt Lake Valley Emergency Communications Center (VECC) and the Salt Lake County Sheriff's Communications Division. Both VECC and Salt Lake County officials agreed that an audit by an independent third party was needed to address concerns with the use of 911 surcharge revenue, along with other issues relating to the 911 system.

The 911 system allows the public to report emergency situations by telephone so that public safety agencies can quickly respond. The three-digit 911 number is used for both police and fire/medical emergencies. The two key functions of the system are call taking and dispatch; a person who dials 911 speaks with a call taker, who determines the nature of the emergency and (if necessary) arranges for the dispatch of a public safety responder. At both VECC and the Sheriff's Communications Division, different individuals handle the call-taking and dispatch roles. A monthly surcharge on telephone service is generally used to pay for the emergency call-taking function but not the dispatch function. However, the law on how surcharge funds may be used is vague and should be clarified.

Given the current organization of the 911 system in Salt Lake County, both VECC and the Sheriff's Communications Division have important, but sometimes overlapping, roles. VECC is a primary public safety answering point (PSAP), meaning 911 callers are connected directly to VECC. The Sheriff's Communications Division is a secondary PSAP, meaning it only receives 911 calls that are transferred from a primary PSAP. Both entities provide dispatching services within Salt Lake County. Salt Lake City has another primary PSAP in the county, but it is not addressed in this audit.

### VECC Serves as a Primary PSAP in Salt Lake County

VECC is a political subdivision of the State of Utah that was organized in June 1988 pursuant to the Utah Interlocal Cooperation

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**The two key functions of the 911 system are call taking and dispatch.**

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**VECC and the Sheriff's Communications Division have important, but overlapping roles.**

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**VECC is governed by a board of trustees made up of representatives from the jurisdictions it serves and by a board of operations made up of police and fire chiefs of member agencies.**

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**VECC provides police dispatching to nine cities and all fire agencies outside of Salt Lake City conduct fire and medical dispatch services from VECC.**

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Act. VECC is governed by a board of trustees made up of representatives from the jurisdictions it serves and by a board of operations made up of police and fire chiefs of member agencies. In 2008, VECC had a staff of about 123 and expenses of \$10.7 million. VECC's principal funding sources are monthly 911 telephone bill surcharges and dispatch fees from member agencies.

Since VECC is a primary PSAP, any caller who dials 911 from anywhere in Salt Lake County (outside of Salt Lake City) will be immediately connected to a VECC call taker. As appropriate, the call taker assists the caller and gathers the information necessary to allow a dispatcher to direct police or fire/medical responders to the emergency location. However, if a call for law enforcement assistance comes from an area dispatched by the Sheriff's Communications Division, then VECC forwards it to the Sheriff's Communications Division.

In addition to receiving 911 calls, VECC provides dispatch services for many police and fire agencies. Police dispatching is provided to nine cities with a combined population of over 500,000. The fire agencies within the county (outside of Salt Lake City), including Unified Fire Authority (UFA), have elected to conduct fire and medical dispatch services from VECC. UFA serves seven jurisdictions and unincorporated areas of Salt Lake County. VECC is organized to allow for multiple fire and medical agencies and multiple law enforcement agencies to be dispatched simultaneously as needed. Figure 1.1 below shows VECC's membership for each of the police and fire agencies.

**Figure 1.1 Agencies Dispatched by VECC.** VECC provides police dispatch services to 523,000 residents and fire dispatch services to 817,000 residents of Salt Lake County.

<b>Police Agencies</b>	<b>Population</b>
Cottonwood Heights	35,000
Draper	36,000
Midvale	27,000
Murray	45,000
Sandy	94,000
South Jordan	44,000
South Salt Lake	22,000
West Jordan	100,000
West Valley	120,000
<b>Total VECC Police Dispatch</b>	<b>523,000</b>

<b>Fire Agencies</b>	<b>Population</b>
Bluffdale	7,000
Midvale	27,000
Murray	45,000
Sandy	94,000
South Jordan	44,000
South Salt Lake	22,000
West Jordan	100,000
West Valley	120,000
Unified Fire Authority (UFA)*	358,000
<b>Total VECC Fire Dispatch</b>	<b>817,000</b>

\* UFA includes Alta, Cottonwood Heights, Draper, Herriman, Holladay, Riverton, Taylorsville, and unincorporated areas of Salt Lake County (2006 estimated populations).

In order to provide funds to cover all dispatching costs, the VECC Board of Trustees assesses costs to member agencies based on the number of calls dispatched.

## **Sheriff's Communications Division Serves as a Secondary PSAP**

The Salt Lake County Sheriff provides policing services to Bluffdale, Herriman, Holladay, Riverton, and the unincorporated areas of the county. As part of the Salt Lake County Sheriff's Office, the Sheriff's Communications Division provides call taking and law enforcement dispatching for these areas as well as Taylorsville, a self-policing city. In 2008, the Sheriff's Communications Division had about 51 staff and a budget of about \$3.2 million.

As a secondary PSAP, the Sheriff's Communications Division receives 911 calls that have been transferred to the division from a primary PSAP. VECC transfers most police 911 calls for the five

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**As a secondary PSAP, the Sheriff's Communications Division receives 911 calls that have been transferred to the division from a primary PSAP.**

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cities for which the county provides law enforcement dispatch services, and the unincorporated areas of Salt Lake County. The Sheriff's Communications Division receives non-emergency calls directly from both the unincorporated areas and contract cities over 10-digit lines. These calls can be administrative calls, police resource calls, and other types of non-emergencies. Figure 1.2 shows the jurisdictions that the Sheriff's Communications Division serves.

**Figure 1.2 Cities Dispatched by Salt Lake County Sheriff's Communications Division.** The Sheriff provides law enforcement dispatch services in an area that includes about 294,000 residents of Salt Lake County.

Police Agencies	Population
Bluffdale	7,000
Herriman	15,000
Holladay	25,000
Riverton	36,000
Taylorsville	58,000
Unincorporated	153,000
<b>Total Sheriff's Police Dispatch</b>	<b>294,000</b>

The municipalities that the Sheriff's Communication Division serves are assessed their share of costs based on a formula.

To pay for the call-taking costs at the Sheriff's Communications Division, operations, Salt Lake County retains a portion of the 911 surcharge revenue from the unincorporated areas it serves; the remainder of the surcharge is forwarded to VECC since it initially receives all 911 calls. The municipalities that the Sheriff's Communications Division serves are also assessed their share of costs based on a formula incorporating the number of dispatched calls, the tax base, and the population.

## The State Has Established a Funding Mechanism for 911

The 911 surcharge is separated into a local surcharge, \$.61 per line; and a state surcharge, \$.08 per line.

Each of the local jurisdictions that VECC and Salt Lake County serves imposes a surcharge on every land or wireless phone line in their area. As required by *Utah Code* 69-2-5, the 911 surcharge is separated into a local surcharge, \$.61 per line; and a state surcharge, \$.08 per line. The surcharges are collected by the Utah State Tax Commission, and the \$.61 per-line charge is remitted to the local jurisdiction while the \$.08 per-line charge is remitted to the state.

Figure 1.3 below shows the surcharge revenue that was collected by the local jurisdictions that are served by VECC and Salt Lake County Sheriff's Communications Division for fiscal years 2007 and 2008.

**Figure 1.3 Local 911 Surcharge Revenue Collected for FY 2007 and FY 2008.** All of the surcharge revenue goes to VECC, except Salt Lake County retains a portion of their revenue.

Local Jurisdiction	FY 2007	FY 2008
Alta	\$ 4,400	\$ 4,300
Bluffdale	47,400	53,300
Cottonwood Heights	109,800	203,700
Draper	255,500	302,200
Herriman	66,500	81,500
Holladay	146,500	168,000
Midvale	201,600	228,000
Murray	417,400	484,000
Riverton	194,300	239,900
Salt Lake County	1,709,400	1,342,500
Sandy	660,600	737,300
South Jordan	265,000	326,200
South Salt Lake	230,900	257,700
Taylorsville	338,200	402,100
West Jordan	552,200	653,200
West Valley City	872,700	794,000
<b>Total</b>	<b>\$ 6,072,400</b>	<b>\$ 6,277,900</b>

Note: Data provided by the Utah Tax Commission.

VECC receives the local surcharge revenue from all the cities within Salt Lake County, except for Salt Lake City. Salt Lake County receives surcharge revenue for the unincorporated areas of the county. However, the county gives a portion of their surcharge revenue to VECC, since VECC is the primary PSAP and handles the fire and medical 911 calls for the unincorporated areas of the county.

### Local Surcharge Funds Local PSAP Operations

This audit focuses on the use of the \$.61 surcharge that local entities use to support the local PSAPs. The local entities that levy the \$.61 are responsible for spending their portion of the 911 funds in accordance with *Utah Code*. Many local officials generally agree that

VECC receives the local surcharge revenue from all the cities within Salt Lake County, except for Salt Lake City. Salt Lake County receives surcharge revenue for the unincorporated areas of the county.

Local entities use the \$.61 surcharge to support the local PSAPs.

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**911 surcharge revenues are used for all call-taking activities, which include both emergency calls and non-emergency calls.**

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**The Utah 911 Committee authorizes the use of the \$.08 per line surcharge monies to fund grants to local and state agencies.**

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local surcharge revenue is intended to pay for call-taking costs but not for dispatch costs. However, as discussed in Chapter II, legislative intent should be clarified.

Although the statute refers to an “emergency telecommunications system,” in practice, the 911 surcharge revenues that VECC and Salt Lake County receive are used for all call-taking activities, which include both emergency calls and non-emergency calls. However, PSAP officials believe that surcharge revenue should not be used for dispatching costs.

### **State Surcharge Funds Statewide Initiatives**

The state surcharge of \$.08 per line is placed in a restricted account in the General Fund entitled the Statewide Unified E-911 Emergency Service Fund. The Utah 911 Committee authorizes the use of the money in the fund for grants to local or state agencies. The Utah 911 Committee consists of 18 members made up of local, state, and industry representatives. According to *Utah Code* 53-10-603(2), the funds may be used to enhance public safety and provide a statewide, unified, wireless 911 service available to PSAPs.

In a 1999 audit report on the 911 system, we found that state oversight was needed to provide systemwide leadership because 911 system issues are broader than an individual PSAP’s jurisdictional boundaries. Although the Utah 911 Committee was created, committee members feel they lack the authority to handle some statewide planning issues. This is one of the concerns addressed in Chapter II. The importance of state involvement is needed because of ongoing technological advances and the political views of local jurisdictions that make the 911 system increasingly complex.

## **Audit Scope and Objectives**

Our audit scope included reviewing the emergency call-taking and dispatch operations at VECC and the Salt Lake County Sheriff’s Communications Division for fiscal years 2007 and 2008. Both VECC and Salt Lake County receive funding from the \$.61 surcharge on each phone line, and both entities also assess local jurisdictions for dispatch services. Given the different funding streams and services



provided, questions have arisen about the use of surcharge revenue and the determination of emergency call-taking costs.

This audit was requested by VECC and Salt Lake County officials, but legislators added to its scope by asking that public safety and system efficiency be reviewed as well. The following issues are addressed in this audit:

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**This audit was requested by VECC and Salt Lake County officials.**

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1. Whether internal controls are sufficient to provide reasonable assurance that 911 revenues are not being used to subsidize dispatch services
2. Whether 911 revenues were expended in accordance with statutory requirements and what the full cost is for emergency call-taking activities
3. Whether cost allocation methods were adequate and consistent with best practices
4. Whether 911 revenues are sufficient to offset the cost of emergency call taking at VECC and the Sheriff's Communications Division
5. Whether the emergency call taking and dispatch that is split between VECC and the Sheriff's Communications Division is effective and efficient, including whether possible response delays or unnecessary costs are due to the existing organization of services

To audit these areas, we reviewed the *Utah Code* and discussed the audit issues with members of the Utah 911 Committee. We contacted other PSAPs in Utah and other states to gain an understanding of the organization of 911 systems and funding. We observed the call-taking and dispatching process at VECC and the Sheriff's Communications Division.

We reviewed the financial statements and budgets at VECC and Salt Lake County. We reviewed both the assessment and collection of revenues that each entity receives, as well as call-taking and dispatch costs. At VECC, we reviewed the methodology of how costs are assigned or allocated to each of VECC's functions. We reviewed a

sample of individual expenses to determine if internal controls are in place to adequately allocate indirect costs. We also reviewed staffing for each of VECC's functions and gathered data for call-taking and dispatching activities.

At Salt Lake County, we reviewed expenses and their assignment and allocation to the different funds. We also sampled staffing and call records to determine how much activity can be attributed to call taking. We also reviewed the purchasing process and internal controls as well as the formulas for sharing 911 surcharge revenue with VECC.

The remainder of this report is organized into four chapters:

- Chapter II addresses possible legislative changes to the 911 statute.
- Chapter III addresses the impact of how call-taking and dispatch functions are split between VECC and the Sheriff's Communications Division.
- Chapter IV addresses VECC's call-taking costs and compares those costs to 911 surcharge revenue.
- Chapter V addresses the Sheriff's Communications Division's call-taking costs and compares those costs to 911 surcharge revenue.

Appendices include relevant sections of *Utah Code* and maps of Salt Lake County showing law enforcement dispatching and fire service providers.

## Chapter II

# Legislature Should Consider Addressing Use of 911 Funds and Consolidation

This chapter discusses two issues that the Legislature should consider addressing about the use of 911 surcharge funds. First, the Legislature could clarify how local taxing authorities may use local surcharge funds to encourage the efficient use of funds. Second, the Legislature could direct the Utah 911 Committee to use its state surcharge funds to encourage 911 system cost-effectiveness, including consolidation in areas where multiple public safety answering points (PSAPs) exist.

The Legislature has authorized two surcharges on consumers' monthly telephone bills. The local surcharge of \$.61 per month generates about \$18.3 million per year and is controlled by the cities and counties that levy the tax. The state surcharge of \$.08 per month generates about \$2.4 million per year and is controlled by the Utah 911 Committee. These surcharges appear on consumers' telephone bills.

### Current Uses of the Local Surcharge Revenue Are Not Stated in *Utah Code*

The Legislature should address appropriate uses of local surcharge funds. According to the *Utah Code* 69-2-5(4)(b)(i), surcharge revenue can only be used to "pay the costs of establishing, installing, maintaining, and operating a 911 emergency telecommunications system." In practice, however, the 911 surcharge revenues that VECC, Salt Lake County, and other PSAPs receive are used for all call-taking activities, which include emergency and non-emergency calls from the public. Most emergency calls are received through the 911 system. However, some emergency calls are received over 10-digit lines.

Local jurisdictions impose the surcharge to pay for operating a 911 emergency telecommunications system, but the surcharge goes to the primary PSAPs. The code does not specifically address if a secondary

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**In practice, 911 surcharge revenues are used for all call-taking activities, which include emergency and non-emergency calls from the public.**

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PSAP, such as the Sheriff's Communications Division, is eligible to receive surcharge revenue.

Also, throughout the state, PSAPs integrate a 911 system and a dispatching system. According to *Utah Code* 69-2-5(4)(b)(ii), the funds may be used only for the operation of a 911 system. "Revenues . . . may only be used for that portion of costs related to the operation of the 911 emergency telecommunications system when such a system is integrated with any public safety dispatch system." The code does not state that surcharge revenue can be used to cover dispatching costs, this audit came about because of concerns that surcharge revenues are subsidizing dispatch costs. (*Utah Code* 69-2-5 is shown in Appendix A.)

### **PSAPs Use Surcharge Funds to Pay for Non-Emergency Calls**

It is common for Valley Emergency Communications Center (VECC), the Sheriff's Communications Division, other PSAPs in Utah, and PSAPs in other states to receive non-emergency calls in addition to 911 calls. *Utah Code* does not state that surcharge revenue can be used to cover the costs of non-emergency calls; however, PSAPs use surcharge funds to pay for all incoming call-taking costs—non-emergency as well as emergency costs. Several PSAP officials that we spoke with believe that surcharge funds should be used to pay for non-emergency calls, because those calls are potential emergencies. The Legislature should make a determination if this practice is appropriate in Utah.

In Salt Lake County, both VECC and the Sheriff's Communications Division receive more non-emergency calls than emergency calls. Most of the calls received from 911 lines are emergency calls, but most of the calls received from 10-digit lines are non-emergency. Figure 2.1 shows that the proportion of 10-digit calls is far greater at the Sheriff's Communications Division.

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**Utah Code does not state that surcharge revenue can be used to cover the costs of non-emergency calls.**

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**Both VECC and the Sheriff's Communication Division receive more non-emergency calls than emergency calls.**

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**Figure 2.1 Number of Calls from 911 and 10-Digit Lines in 2008.** A majority of incoming calls at both PSAPs are from 10-digit lines, but the percentage is much higher at the Sheriff's Communications Division.

Source of Incoming Calls	VECC		Sheriff's Communications Division	
	Number of Calls	Percent	Number Of Calls	Percent
911 Lines	347,200	39 %	30,000	8 %
10-Digit Lines	<u>539,100</u>	61	<u>341,700</u>	92
<b>Total</b>	<b>886,300</b>		<b>371,700</b>	

At VECC 61 percent of the incoming calls are from 10-digit lines, and at the Sheriff's Communications Division 92 percent of the incoming calls are from 10-digit lines. The Sheriff's Communications Division has a lower percentage of 911 calls due to the fact that the Sheriff's Communications Division receives transferred 911 calls only for law enforcement incidents. Fire and medical 911 emergencies are dispatched from VECC. The Sheriff's Communications Division also has a lower percentage of 911 calls because VECC does not transfer all duplicate incoming 911 calls pertaining to the same incident to the Sheriff's Communications Division.

Local jurisdictions that VECC and the Sheriff's Communications Division serve list non-emergency phone numbers in the phone directories for various purposes. These administrative phone numbers are answered by the call takers at both VECC and the Sheriff's Communications Division who answer 911 calls. The descriptions for the non-emergency phone numbers listed in the phone book vary:

- To report a crime
- To have an officer respond
- Animal control
- Non-emergency police calls
- Public works—after hours/weekend emergencies
- Municipal services—after business hours

In addition to these calls, VECC and the Sheriff's Communications Division also receive incoming calls from alarm companies to have an officer respond. Surcharge revenue is used by VECC and the Sheriff's Communications Division to pay for all of these types of non-emergency calls. Although it seems efficient for PSAPs to take both

**At VECC 61 percent of all calls and at the Sheriff's Communication Division 92 percent of all incoming calls are from 10-digit lines.**

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Utah Code does not state if secondary PSAPs are or are not eligible to receive surcharge revenue.

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The Legislature may want to consider limiting use of surcharge revenues to primary PSAPs to promote consolidation.

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non-emergency calls and 911 calls, the Legislature could address the issue in statute.

### **Statute Does Not Address the Use Of Surcharge by Secondary PSAPs**

According to statute, local jurisdictions may impose the 911 surcharge to pay for emergency telecommunications systems. But the code does not state if secondary PSAPs are or are not eligible to receive surcharge revenue. The Sheriff's Communications Division is the only secondary PSAP in the state we are aware of that receives surcharge revenue.

Salt Lake County receives 911 surcharge revenue for the unincorporated areas of the county but splits the revenue with VECC. Other jurisdictions served by the Salt Lake County Sheriff's Communications Division give all of their 911 surcharge revenue to VECC, which is the primary PSAP.

The Legislature may want to consider limiting use of surcharge revenues to primary PSAPs, and this may help promote consolidation within the state. As an example, Minnesota law limits 911 funding to centers that first receive 911 calls from the public. Similarly, in 2007 the North Carolina Legislature amended their statute so that surcharge revenue may not be distributed to secondary PSAPs. However, any change would need to be carefully crafted to ensure that new problems are not created, especially where police and fire agencies do not have the same service areas.

### **Statute Does Not Allow Use of Local 911 Surcharge for Dispatch Costs**

The Legislature could also amend *Utah Code* to allow surcharge revenue to be used for dispatch costs as well as call-taking costs. Some states allow surcharge funds to pay for dispatch costs. Chapter IV in this report shows that VECC receives excess surcharge revenue for 911 call-taking but uses excess surcharge revenue to subsidize dispatching costs.

A change in statute would provide flexibility for PSAPs paying for call-taking and dispatching expenses. PSAP officials point out it does little good to receive 911 calls without also dispatching emergency

responders, and it is sometimes difficult to clearly separate costs. For example, especially at smaller PSAPs, the same person may perform both the call-taking and dispatch functions. Traditionally, dispatch costs have been paid by cities' and counties' general tax revenue.

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**Traditionally, dispatch costs have been paid by cities' and counties' general tax revenue.**

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The use of 911 funds varies by state. We contacted nine states to determine the allowable uses of surcharge revenue. Figure 2.2 shows how other states use surcharge revenue.

**Figure 2.2 Uses of Surcharge Revenue in Other States.** Five of the nine states we surveyed allow surcharge funds to pay for dispatching costs.

Number of States	Use of Surcharge Revenue
4	Funds are used to pay for all call-taking and dispatching equipment (but local jurisdictions funds must pay for call-takers' and dispatchers' salaries).
3	Funds are used to pay for all call-taking costs (equipment and operations.)
1	Funds are used to pay for call-taking equipment only.
1	Funds are used to pay for all equipment and operating costs for call-taking and dispatching activities.

The figure shows that use of surcharge revenue varies widely from state to state. However, five states allow surcharge revenue to go toward dispatching costs.

In Utah, PSAPs we visited, including VECC and the Sheriff's Communications Division, understand that the *Utah Code* does not allow surcharge revenue to be used to pay for dispatching costs. If statute was changed to allow surcharge funds to pay for dispatching costs, it could draw revenue away from improving the process for PSAPs to receive 911 calls.

Surcharge funds have been focused on the technical aspects of telecommunications system. An important concern of the past decade was enabling 911 centers to receive location information on 911 mobile telephones. However, new concerns exist, including text

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**Broadening the use of surcharge funds to include dispatch costs could draw funds away from new technology issues.**

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**Utah 911 Committee members do not believe they have statutory authority to encourage consolidation of PSAPs.**

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messages and multi-line telephone systems in large buildings. Broadening the use of surcharge funds to include dispatch costs could draw funds away from new technology issues.

## **Legislature Could Clarify Purpose of State Surcharge**

The Legislature could direct the Utah 911 Committee to use state surcharge funds to promote 911 system efficiency and effectiveness, including encouraging PSAP consolidation when appropriate. Utah 911 Committee members recognize that some areas of the state have more PSAPs than necessary, and the fragmentation is inefficient and increases system costs. However, committee members do not believe they have statutory authority to encourage consolidation of PSAPs and, therefore, do not consider the statewide efficiency of having multiple PSAPs when grants are awarded.

We think the statewide perspective is important to evaluate the effectiveness and efficiency of the 911 system. In *A Performance Audit of the 911 System in Utah*, completed in 1999, we stated,

Many 911 issues are broader than an individual PSAP's jurisdictional boundaries and can be more effectively addressed at a statewide level. . . . In order to get past the political service areas and meet users' expectations, we recommend that the Legislature create a state 911 office to provide needed state leadership.

After that audit, the Utah 911 Committee was formed and given authority to provide grants using state surcharge funds that all consumers must pay on their monthly telephone bills. (Utah Code 53-10-601 et seq pertaining to the Utah 911 Committee is shown in Appendix A.)

### **PSAP Fragmentation Is a Problem**

Utah 911 Committee members we interviewed recognize that Utah's 911 system has some organizational inefficiencies. The concerns include transferring some 911 calls to secondary PSAPs for dispatch and having more PSAPs than necessary in some areas.



VECC and the Sheriff's Office are not the only PSAPs in the state that transfer 911 calls. In Davis County, one of the primary PSAPs has to transfer fire and medical 911 calls to another PSAP, so they can be dispatched for two cities. As will be further discussed in Chapter III, the transfer of 911 calls causes a duplication and a delay in emergency response time.

Utah 911 Committee members support consolidation of some PSAPs. Currently there are five primary PSAPs in Utah County, four primary PSAPs in Davis County, and two primary and two secondary PSAPs in Salt Lake County. Committee members that we spoke with believe it is wasteful to have so many PSAPs in these counties. Some committee members see having several primary PSAPs in one community as local jurisdictions protecting their own political areas of responsibility rather than working together for the community as a whole. Through consolidation, the 911 call-taking and dispatch operations can occur effectively and efficiently.

The consolidation of PSAPs is a current trend in the industry. In 2001 the State of Oregon passed legislation to facilitate the consolidation of PSAPs in counties with more than one PSAP. In 2005 the Public Utilities Commission of Maine, under the direction of the legislature, ordered the reduction of total PSAPs in the state from 48 to less than 25. In 2006, a New Jersey Governor's Joint Legislative Commission recommended that their 911 Commission be given authority to effect PSAP consolidation. A New Jersey study revealed that there are "clear economies of scale in the cost of handling 911 calls." Although Utah 911 Committee members recognize that fragmentation and duplication can add costs and delay services, they believe these issues are outside the committee's charge.

### **Legislature Could Amend Statutory Duties of the Utah 911 Committee**

Some members of the Utah 911 Committee told us they believe their main purpose is to award grant money to update technology for the PSAPs to help make the 911 system more uniform throughout the state. The committee is aware of the consolidation vs. individual PSAPs issue throughout the state, but do not believe that they have the authority to encourage consolidation through grant money. Unfortunately, a narrow technical focus may contribute to the

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**Currently there are five primary PSAPs in Utah County, four primary PSAPs in Davis County, and two primary PSAPs in Salt Lake County.**

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**The consolidation of PSAPs is a current trend in the industry.**

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**The Utah 911 Committee may actually facilitate the proliferation of PSAPs by providing technical assistance through their grant process.**

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**The Legislature should consider directing the Utah 911 Committee to review and encourage an efficient organization of the 911 system.**

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fragmentation of the 911 system by assisting multiple PSAPs in an area to all update their technical capabilities.

At a legislative interim committee meeting in September 2009, committee members acknowledged concerns with how PSAPs are organized in some parts of the state. Members indicated that unnecessary costs are incurred and delays caused because of a lack of consolidation in some areas. One committee member said that if he could force consolidation he would because it would save money and improve service. Another member indicated that despite the benefits of consolidation, the committee may actually facilitate the proliferation of PSAPs by providing technical assistance through their grant process.

Although statute emphasizes the technical aspects of the Utah 911 Committee's role, the Legislature may have intended that the system's cost-effectiveness be considered as well. Statute has directed the committee to make recommendations on "technical. . . and operational issues" and says that the state surcharge may be used "for enhancing public safety."

While parts of the statute may be read broadly to include the 911 system's statewide cost-effectiveness, technical aspects are more prominent. According to *Utah Code* 53-10-602, "The committee shall adopt rules. . . that establish the criteria, standards, technology, and equipment that a local entity or state agency must adopt in order to qualify for grants from the fund." However, formal rules have not been adopted through the rulemaking process.

We think the Legislature should consider clarifying the charge of the Utah 911 Committee. Our 1999 audit recommended that the Legislature create a state 911 committee to provide state leadership. We do not think the Utah 911 Committee can provide needed state leadership if they believe important issues that affect the efficiency and effectiveness of the 911 system are outside their purview. The Legislature should consider directing the Utah 911 Committee to review and encourage an efficient organization of the 911 system.

## Recommendations

1. We recommend that the Legislature consider clarifying acceptable uses of the local 911 surcharge, including the following:
  - Whether it may be used to fund call-taking costs for non-emergency calls as well as 911 calls
  - Whether it may be used to fund a secondary PSAP
  - Whether it may be used to fund dispatch costs
2. We recommend that the Legislature strengthen the role of the Utah 911 Committee to give them authority to implement statewide planning for the 911 system.

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## **Chapter III**

### **Organizational Concerns Hamper 911 System Effectiveness**

The existing organization of 911 system in Salt Lake County is inherently inefficient. Since Valley Emergency Communications Center (VECC) is the primary public safety answering point (PSAP) for Salt Lake County (except Salt Lake City), it receives all 911 calls. While VECC dispatches all fire and medical units for the entire service area, some police calls are transferred to the Salt Lake County Sheriff's Communications Division. The transfer of 911 calls has caused duplication in the call-taking process and results in a delay (about one minute) to dispatch county law enforcement; this delay has concerned local officials for many years. In addition, the existing organization and computer system that each PSAP uses makes it difficult to share data.

Recently, the Sheriff's Office and VECC have addressed the problems of data sharing between the PSAPs through new technology. A federal grant was used to develop a "bridge" to allow the automatic electronic transfer of information between the two organizations' computer-assisted dispatch (CAD) systems. This CAD-to-CAD bridge has improved communication between the organizations but has not yet eliminated the transfer of 911 callers from VECC to the Sheriff's Communications Division or the delay created by transferring 911 callers.

#### **Organization of 911 System in Salt Lake County Is Inherently Inefficient**

When VECC receives a 911 call that needs a law enforcement response from an area that is dispatched by the Sheriff's Communications Division, the call is generally transferred to the division. The Sheriff's Office has requested that VECC transfer all 911 calls that fall under the sheriff's jurisdiction; however, VECC does not transfer some duplicate calls pertaining to the same incident. The transfer process can create slower emergency response times. The

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**The transfer of 911 calls has caused a delay to dispatch Salt Lake County law enforcement.**

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**The CAD-to-CAD bridge has not eliminated the transfer of 911 callers from VECC to the Sheriff's Communications Division.**

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transfer of calls from VECC to the Sheriff's Communications Division is inherently inefficient.

When the VECC facility was constructed in West Valley City in 2001, the Salt Lake County Sheriff's Office was invited to, and considered moving the physical location of their law enforcement dispatching to the VECC facility. In fact, the VECC facility was built big enough to accommodate the Sheriff's Communications Division. However, discussions between the two organizations could not resolve concerns about different CADs and records management systems. Therefore, the Sheriff's Office decided it could not move its call taking and dispatch operations to VECC. Similarly, another option of locating VECC at the county's emergency operations center did not work out. If the Sheriff's Office had decided to go with VECC, then all call-taking, police dispatch, and fire and medical dispatch would have been located at one PSAP.

### **VECC and the Salt Lake County 911 Services Overlap**

When VECC receives a 911 call that needs to be handled by the Sheriff's law enforcement, the call is transferred to the Sheriff's Communications Division before law enforcement is dispatched. In 2008, VECC received 43,700 911 calls for the Sheriff's Communications Division, about 14 percent of the 911 calls received at VECC for 2008. Dispatching can be delayed because VECC first answers the incoming calls and interviews the caller, and then transfers those calls that fall under the jurisdiction of the Salt Lake County Sheriff's Communications Division to that secondary PSAP and the caller is interviewed a second time. This process creates repetition within the 911 system.

At VECC, the call taker asks the following questions:

1. What is the address of the emergency?
2. (Please repeat the address for verification.)
3. What city?
4. What is the phone number you are calling from?
5. What is the problem? Tell me exactly what happened.

Through this initial interview process, VECC determines if an incoming 911 call falls under the jurisdiction of the County Sheriff's

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**Dispatching can be delayed because VECC answers the incoming calls, but transfers certain calls to the Sheriff's Communications Division.**

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**Through the initial interview process, VECC determines if an incoming call falls under the jurisdiction of the County Sheriff.**

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Communications Division. Those incoming calls that are to be handled by the Sheriff's Communications Division are transferred to the secondary PSAP. We monitored the time that call takers at VECC use to interview 911 callers for the County Sheriff for a sample of calls.

On average, it takes VECC's call takers 1 minute and 15 seconds to complete the initial interview process before the call is transferred to the Sheriff's Communications Division. (For incoming 911 calls that do not need to be transferred to the Sheriff's Communications Division, VECC can dispatch as soon as the address and emergency are known. This process takes about 30 seconds, then the call taker can continue to gather information, even though the call has been dispatched.)

After a 911 call has been transferred to the Sheriff's Communications Division, a call taker interviews the caller, asking similar questions as a call taker at VECC:

1. Where: Address: exact location of occurrence or nearest landmark?
2. What: What happened/nature of complaint?
3. When: When did it happen? What is the time lapse?
4. Who: Reporting party's information?
5. How: How did it happen?

On average, it takes two minutes to complete the interview process at the Sheriff's Communications Division for 911 calls that have been transferred from VECC. After sufficient information is gathered (usually steps 1 and 2) to know the appropriate response, the call is dispatched. Once a call is initially dispatched, the call taker can continue to gather detailed information about the situation.

Of the 43,700 911 calls received for the County Sheriff in 2008, VECC transferred 29,900 to the Sheriff's Communications Division. VECC does not transfer some duplicate calls pertaining to the same incident to the Sheriff's Communications Division, contrary to the Sheriff's Office request. VECC also transferred about 10,000 calls from 10-digit lines in 2008.

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**After a 911 call has been transferred to the Sheriff's Communications Division, a call taker asks similar questions that are asked at VECC.**

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**VECC does not transfer some duplicate calls pertaining to the same incident to the Sheriff's Communications Division.**

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## **Current Organization Affects Coordination of Police and Fire Services**

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**The CAD system that the Sheriff's Communications Division uses is a different system than the CAD system at VECC.**

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The split in the 911 services also creates a potential problem for emergency responders. VECC dispatches police for nine cities and provides all the fire dispatch services. The Sheriff's Communications Division is responsible for dispatching police for five cities and unincorporated areas of the county. The CAD system that the Sheriff's Communications Division uses is a different system than the CAD system that VECC utilizes. In the past, the two different CAD systems have not been able to share information. This lack of interoperability has affected the delivery of emergency information that needs to go between VECC and the Sheriff's Communications Division so emergency responders can be informed.

If county police units respond to an incident and determine fire/medical help is needed, then county dispatchers have to send the information regarding the incident to VECC, so the fire/medical dispatchers at VECC can send the emergency units to the incident. Also, VECC may receive a 911 call for a fire/medical emergency, but the Sheriff's Communications Division also needs to be notified of the emergency, so the police can determine if they need to respond to the incident. The Sheriff's Communications Division has been concerned because, in the past VECC has sometimes been slow to call the Sheriff's Communications Division and notify them of a fire/medical emergency.

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**To improve service delivery, the County Sheriff's Office applied for a \$1 million grant to create a technological bridge to share information electronically.**

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To improve service delivery, the County Sheriff's Office applied for a \$1 million grant from the federal government to create a technological bridge to share information electronically in order to more effectively and efficiently coordinate service delivery between VECC and the Sheriff's Communications Division. The bridge is described below in more detail.

## **CAD-to-CAD Bridge Can Help Promote a More Efficient 911 Service**

In 2003, Salt Lake County obtained a Community Oriented Policing Services (COPS) technology grant from the federal government for \$993,500. This grant has been used to create a



technological bridge to integrate VECC and Sheriff's Communications Division different CAD systems.

The technological bridge electronically transfers detailed information about incidents between both PSAPs. This information sharing allows dispatchers to provide better and quicker information to fire and medical emergency responders. Before the bridge was in place, each PSAP called the other by telephone to share incident information.

However, duplication still exists in the call-taking process. For police emergencies that are handled by the Sheriff's Communications Division, callers are interviewed twice, once by VECC then by the Sheriff's Communications Division. After several sets of tests, the bridge began operating in June 2009. Since the bridge has only been functional for a short time, as of this audit we cannot determine if the bridge will be successful in the long-term or if the bridge will be successful in reducing duplication.

### **Bridge Technology Improves Service Delivery**

The CAD-to-CAD bridge provides a mutual benefit to the communication process between VECC and the Sheriff's Communications Division. Detailed information concerning an incident can be electronically transferred from VECC to the Sheriff's Communications Division so that county officers are aware of fire and medical emergencies in their jurisdiction. The bridge saves VECC the time of calling the Sheriff's Communications Division to notify them of those types of emergencies. The bridge also sends automatic updates of emergencies in progress.

The Sheriff's Communications Division can also quickly send information to VECC if the Sheriff's officers respond to an incident and need fire or medical units. The bridge makes it so that the Sheriff's Communications Division does not have to call VECC. This automatic transfer of information helps the responders to receive quicker more detailed and updated information about fire and medical incidents.

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**The bridge electronically transfers detailed information about incidents between both PSAPs.**

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**Duplication still exists in the call-taking process.**

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**The bridge sends automatic updates of emergencies in progress.**

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## **Duplication Still Exists Between VECC and the Sheriff's Communications Division**

When 911 and non-emergency calls are answered at VECC, as soon as the call takers determine that the call falls under the Sheriff's Communications Division, the information about the incidents is entered into the CAD, and the information is automatically sent electronically to the Sheriff's Communications Division.

However, the caller is interviewed by a call taker at VECC, and then the caller is transferred to the Sheriff's Communications Division. The caller is interviewed a second time to verify that the basic information sent electronically is correct and to obtain more details about the incident. The caller is also interviewed a second time to ensure the bridge is working properly. As of the audit, the PSAPs were still resolving technical problems of the bridge and discussing data formats.

Once the information is verified at the Sheriff's Communications Division, which takes less than 30 seconds, the call can then be dispatched. Even though the bridge is operational, there is still duplication in the call-taking process between VECC and the Sheriff's Communications Division. The caller is still interviewed twice, once by VECC, then by the Sheriff's Communications Division. This creates a delay of about one minute to dispatch a 911 call.

We interviewed 40 people who called 911 for emergencies that fell under the Sheriff's Dispatch jurisdiction to obtain their perspectives on the duplication. Nine of the callers (23 percent) felt that the second call taker at the Sheriff's Communications Division asked repetitive questions and recognized the duplication in the call-taking process.

Three of the callers (8 percent) felt that the transfer process negatively impacted the response to the emergency.

- One caller said, "The situation was dangerous for the sick child who was locked in the house due to the fact that I had to repeat the situation."
- Another caller said, "due to the transfer process, I forgot the license plate number."
- The third caller felt that the call-taking process was very frustrating. The caller was told by the VECC call taker that the

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**Twenty-three percent of the callers interviewed felt that the second call taker asked repetitive questions.**

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**Eight percent of the callers interviewed felt that the transfer process negatively impacted the response to the emergency.**

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caller was going to be transferred, but the caller was concerned for her safety because of a possible gang fight.

Of the 40 situations we surveyed, at least 3 (or 8 percent) may have resulted in increased risk due to the duplication in the call taking process. However, other than those three examples listed above, the callers felt that the 911 service that they received was good.

### **Bridge Can Remove the Duplication in the Future**

Even though VECC and the Sheriff's Communications Division have separate physical locations and use different CADs, the technological bridge can assist the PSAPs in removing the duplication that exists in the call-taking process. The grant application described two possible options for how to utilize the bridge:

- VECC could provide the 911 call taking for the Sheriff's Communications Division
- Sheriff's Communications Division could become a primary PSAP

Other options may also exist, but either of these options would help remove the duplication in the call-taking process.

**VECC Could Provide 911 Call Taking for the Sheriff's Communications Division.** The bridge could allow VECC the ability to handle the 911 phone calls on behalf of the Sheriff's Communications Division and then electronically transfer the information without requiring the caller to repeat the reason for the call.

This option can reduce the duplication in the call-taking process and reduce the delay in dispatching the County Sheriff's units to emergencies. This process can also be less frustrating to callers who are required to repeat the information concerning incidents. However, the Sheriff's Office did not create the bridge for VECC to provide the 911 call taking. The Sheriff's Office also believes that the caller should be transferred, because there is additional information that the caller can give what needs to be relayed to the responding units. The main reason that the bridge was created is to allow the Sheriff's Communications Division to become a primary PSAP.

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**The bridge could allow VECC the ability to handle the 911 phone calls on behalf of the Sheriff's Communications Division.**

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**The Sheriff's Communications Division would like to become a primary PSAP.**

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**Sheriff's Communications Division Could Become a Primary PSAP.** Becoming a primary PSAP is one of the Sheriff's goals. The Sheriff's Communications Division would like to become a fully functional dispatch center that could be a backup PSAP for other PSAPs in Salt Lake County. However, this option does not follow the current trend of consolidation that was discussed in Chapter II. However, this option may be reasonable as growth in Salt Lake County continues. If the Legislature gives the Utah 911 Committee additional authority for statewide planning, then the committee could study this option. The County Council has also expressed concern about how fire dispatch operations may be affected if the Sheriff's Communications Division became a primary PSAP.

If the Sheriff's Communications Division became a primary PSAP, then 911 calls that fall in the Salt Lake County Sheriff's jurisdiction could go directly to the Sheriff's Communications Division and bypass VECC and eliminate the duplication. However, this change would require start-up costs, and could create problems for fire and medical dispatching. Currently, all fire and medical dispatching is done at VECC. This concern is addressed in the next section of the report.

### **Decision on PSAP Organization May Affect Fire Agencies' Responses to 911 Calls**

We discussed the option of the Sheriff's Communications Division becoming a primary PSAP with Utah 911 Committee members, city officials in Salt Lake County, the Salt Lake County Sheriff's Office, and VECC. In these discussions, some individuals expressed concern that a new primary PSAP could affect how effectively fire services are coordinated.

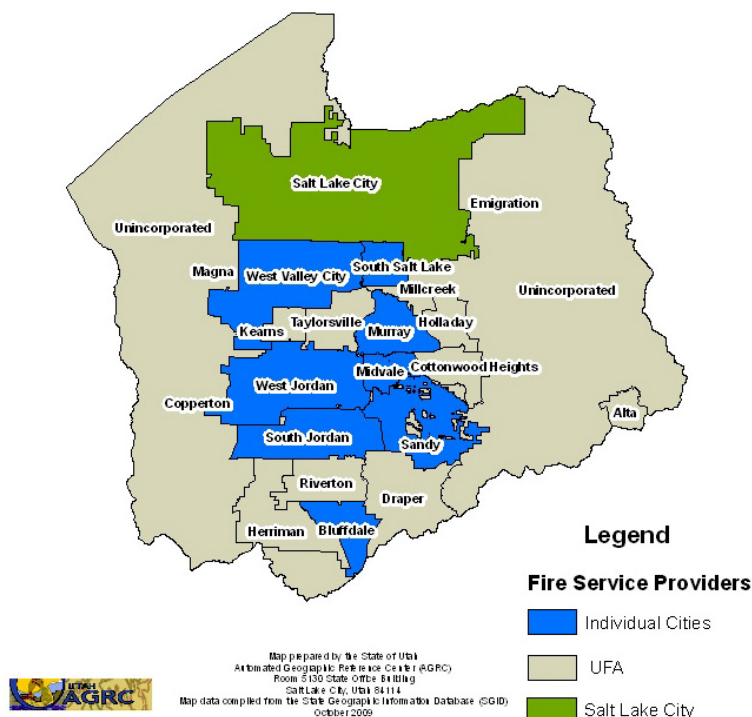
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**Fire and medical dispatch services for the county (except Salt Lake City) are located at VECC.**

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Currently, police dispatch is split between VECC and the Sheriff's Communications Division. All fire and medical dispatch services for the county (except Salt Lake City) are located at VECC. Mutual aid agreements are built into the computer system at VECC. This arrangement helps to respond to large incidents and incidents that cross political boundaries. Figure 3.1 below shows a map of the local jurisdictions in Salt Lake County and the fire service providers.

**Figure 3.1 Fire Agencies' Jurisdiction in Salt Lake County.** The map of Salt Lake County shows which cities UFA services and the cities that have their own fire services.



VECC dispatches for the Unified Fire Authority (UFA) and independent city fire departments within VECC's service area.

VECC dispatches both the Unified Fire Authority (UFA) and independent city fire departments. The UFA provides fire and medical responses for six cities and unincorporated areas of the county. Nine cities have their own fire and medical response services. The map in the figure shows how the cities that UFA serves are intermixed with the cities that have independent fire departments. Having all the fire dispatching consolidated at one location helps to effectively manage the responses of fire agencies throughout the county.

Having the fire dispatching consolidated at one location helps to effectively manage the responses of fire agencies.

Although one of the goals of the Sheriff's Communications Division is to become a primary PSAP, that could cause a problem for fire and medical dispatching. Apparently, the Salt Lake County Council is concerned about potential problems because its 2008 budget plan stated, "It is the intent of the Council to condition the Sheriff's establishment of a PSAP on the requirement that the UFA agree to use the Sheriff's PSAP and discontinue its use of VECC."

If UFA moved to the Sheriff's Communications Division, this would affect the unified configuration that currently exists and could

reduce the effectiveness of the fire services for the county. This could also create a logistical challenge for the cities of Cottonwood Heights and Draper since their police dispatching is done by VECC, but their fire and medical service is provided by UFA. (Appendix B shows a map of the police agencies that VECC and Salt Lake County serves.)

The organization of PSAPs in Salt Lake County and throughout the state is an important public safety concern. In Chapter II, we discussed the need for statewide planning and the role of the Utah 911 Committee. If the Legislature directs the committee to take more of a leadership role in encouraging an effective and efficient 911 system in Utah, we think the committee could study the organization and establishment of primary PSAPs. Such a report from experts charged with statewide 911 planning would help protect long-term public interests.

## **Recommendations**

1. We recommend that VECC and the Salt Lake County Sheriff's Office determine an approach to eliminate duplication in the call taking process.
2. We recommend that Salt Lake County officials resolve concerns with the coordination of fire/medical dispatching and law enforcement dispatching before going forward with plans to establish a new primary PSAP.

## **Chapter IV**

### **911 Surcharge Revenue Has Subsidized VECC's Dispatch Costs**

According to our analysis, the 911 surcharge revenue received by the Valley Emergency Communications Center (VECC) exceed its call-taking costs and are used to subsidize dispatching costs. Although VECC has a well-developed cost-accounting system, we found it overstates call-taking costs and understates dispatch costs.

VECC assigns costs to three principal cost centers (call taking, police dispatch, fire dispatch) either directly or indirectly in order to accumulate costs by function. We found that VECC identifies and assigns direct costs correctly, except for employee benefits. Indirect costs have been allocated to the cost centers based on a square-footage formula. However, we believe the formula is not accurate. As a result of these two inaccuracies, VECC has overstated call-taking expenses by about 16 percent and understated police and fire dispatch expenses.

We reassigned employee benefits based on pay and health care coverage, and we used staff hours to allocate indirect costs for the three principal cost centers. After doing so, we found that the revenue from the 911 call-taking surcharge is more than sufficient to pay for call-taking expenses.

#### **VECC Has a Well-Developed Cost-Accounting System**

VECC has a relatively sophisticated cost-accounting system that accumulates costs according to the agency's three principal cost centers:

- Call taking—Activities associated with receiving 911 calls and non-emergency calls for the areas of Salt Lake County that VECC serves, except Salt lake City
- Police dispatch—Activities associated with dispatching law enforcement for nine jurisdictions

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**VECC assigns costs to three principal cost centers (call taking, police dispatch, fire dispatch).**

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- Fire dispatch—Activities associated with dispatching emergency medical services and fire services for all of Salt Lake County, except Salt Lake City

It is important that costs are correctly accumulated into these three cost centers, because the responsibility to pay for each of the cost centers differs. VECC uses 911 surcharge revenue to pay for call-taking costs and assesses local jurisdictions to pay for police and fire dispatch costs. A discussion of the purpose of 911 surcharge revenue was discussed in Chapter II.

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**Costs are assigned to the cost centers directly or indirectly.**

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Costs are assigned to the cost centers either directly or indirectly. Direct costs are those expenses that benefit a single function and are only chargeable to that cost center. Indirect costs are those expenses that benefit all of the agency's three principal cost centers and must be allocated among cost centers based on a formula.

### **Most Direct Costs Are Correctly Assigned**

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**We found that VECC correctly identifies and assigns direct costs, with one significant exception.**

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With one significant exception, we found VECC correctly identifies and assigns direct costs. We reviewed VECC's expenses for fiscal years 2007 and 2008. While work focused on the largest expenses during each year, we also conducted a detailed analysis of every expense for one month in each of the two years. We found that most costs were accurately assigned. For example, the 911 telephone database, which routes 911 incoming calls to VECC, was correctly assigned as a direct expense for the call-taking cost center.

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**The assignment of employee benefits to the correct cost center was not accurate.**

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The major exception that we found was the assignment of employee benefits to the correct cost center. As discussed later in this chapter, due to software limitations some costs that should have been assigned to the dispatch cost centers were assigned to the call-taking cost center instead. For the two fiscal years that were reviewed, we found that an additional \$730,700 in costs had been assigned to the call-taking cost center in 2007, and an additional \$859,800 in costs had been assigned to call taking in 2008.

### **Indirect Cost Allocation Formula Is Important**

Correctly allocating indirect costs that benefit both the call-taking and police and fire dispatch cost centers is important, because indirect costs represent 23 to 26 percent of VECC's total costs. Examples of



indirect costs include facility costs, such as depreciation and utilities, that benefit each of the three cost centers. Indirect costs also include administration and technical services functions, since those expenses are accumulated separately and then allocated among the three cost centers. Figure 4.1 below shows that indirect costs are a significant portion of VECC's total expenses.

**Figure 4.1 VECC's Assignment of Indirect Costs.** According to VECC, about 25 percent of VECC's total costs are indirect costs that are allocated among the cost centers by a formula.

Fiscal Year	Total Costs	Total Indirect Costs	Percent of Indirect Costs
2007	\$ 9,975,400	\$ 2,314,800	23%
2008	\$10,667,200	\$ 2,783,900	26%

For both fiscal years 2007 and 2008, indirect costs exceeded \$2 million and were allocated according to the following formula:

- Call taking—65 percent
- Police dispatch—25 percent
- Fire dispatch—10 percent

Our detailed work discovered only a few minor inconsistencies in the application of this formula. However, as discussed later in this chapter, we believe the formula is faulty. It allocates too much of the indirect costs to call taking and too little to dispatch.

## VECC Has Overstated Call-Taking Expenses And Understated Dispatch Expenses

Our analysis of VECC's costs shows that call-taking costs were overstated by about 16 percent (and dispatch costs were understated) for both fiscal years 2007 and 2008. As explained below, some employee benefit costs were not assigned correctly, and too great a percentage of indirect costs were allocated to call taking. Figure 4.2 below shows how costs shift based on our audit analysis.

**Indirect costs, which exceeded \$2 million, were allocated according to a formula.**

**VECC's costs show that call-taking costs were overstated by about 17 percent for fiscal years 2007 and 2008.**

**Figure 4.2 Comparison of VECC Costs Assigned to Cost Centers.**  
Audit analysis found that call-taking costs were overstated and dispatch costs were understated.

<b>Fiscal Year 2007</b>	<b>Call Taking</b>	<b>Police Dispatch</b>	<b>Fire Dispatch</b>	<b>Total</b>
As Reported	\$ 4,987,800	\$ 3,302,700	\$ 1,684,900	\$ 9,975,400
Per Audit	<u>4,257,100</u>	<u>3,806,900</u>	<u>1,911,400</u>	<u>9,975,400</u>
<b>Difference</b>	<b>(\$ 730,700)</b>	<b>\$ 504,200</b>	<b>\$ 226,500</b>	<b>\$ 0</b>

<b>Fiscal Year 2008</b>	<b>Call Taking</b>	<b>Police Dispatch</b>	<b>Fire Dispatch</b>	<b>Total</b>
As Reported	\$ 5,295,500	\$ 3,531,900	\$ 1,839,800	\$ 10,667,200
Per Audit	<u>4,435,700</u>	<u>4,161,700</u>	<u>2,069,800</u>	<u>10,667,200</u>
<b>Difference</b>	<b>(\$ 859,800)</b>	<b>\$ 629,800</b>	<b>\$ 230,000</b>	<b>\$ 0</b>

Based on our analysis, call-taking costs were 16 percent less than reported in 2008, while police dispatch costs were 18 percent more and fire dispatch costs were 13 percent more. For 2007, the percent changes are similar. The adjustments we made are described below.

### **Employee Benefits Costs Have Not Been Correctly Assigned**

Since employee compensation is VECC's largest expense, the correct assignment of these costs is essential. However, accounting for salaries and benefits is challenging because an employee whose regular job assignment is as a police or fire dispatcher may sometimes work as a call taker. Similarly, a worker whose regular assignment is call taking may at times work as a dispatcher. Fortunately, VECC is able to track how workers split their time among the call-taking and dispatch cost centers by how they log into the computer system. We found that VECC effectively uses this system to assign salary costs, but not benefit costs.

A review of time sheets and payroll records shows that VECC's salary expenses are assigned to the cost centers where the employees actually log their work. While we found that pay is correctly assigned to the cost centers, benefits are not. VECC has routinely assigned benefit costs based on employees' regular job assignments rather than where they actually worked. VECC reports that software limitations have affected their ability to correctly assign benefits for employees who work in multiple cost centers based on pay codes.

**Employee compensation is VECC's largest expense.**

**VECC has assigned benefit costs based on employees' regular job assignments rather than where they actually worked.**

As shown in Figure 4.3, the proportion of pay-related benefits and health insurance assigned to each cost center differs from pay. For example, in fiscal year 2008, the call-taking cost center was assigned 41 percent of pay-related benefits and 49 percent of health insurance costs compared to just 34 percent of pay expenses.

**Figure 4.3 VECC's Employee Expenses for Fiscal Years 2007 and 2008.** VECC's method of assigning pay-related benefits and insurance shifts costs to the call-taking cost center. (Administration and technical services are not included.)

<b>Fiscal Year 2007</b>	<b>Call Taking</b>	<b>Police Dispatch</b>	<b>Fire Dispatch</b>	<b>Total</b>
<b>Amount by Cost Center</b>				
Pay	\$ 1,515,700	\$ 1,950,000	\$ 1,040,400	\$ 4,506,100
Pay-Related Benefits	444,100	384,700	223,000	1,051,800
Health Insurance	366,900	241,800	166,300	775,000
<b>Percent by Cost Center</b>				
Pay	34%	43%	23%	100%
Pay-Related Benefits	42	37	21	100
Health Insurance	47	31	22	100

<b>Fiscal Year 2008</b>	<b>Call Taking</b>	<b>Police Dispatch</b>	<b>Fire Dispatch</b>	<b>Total</b>
<b>Amount by Cost Center</b>				
Pay	\$ 1,607,300	\$ 2,148,300	\$ 1,077,400	\$ 4,833,000
Pay-Related Benefits	415,700	365,900	232,300	1,013,900
Health Insurance	433,900	260,800	184,700	879,400
<b>Percent by Cost Center</b>				
Pay	33%	44%	23%	100%
Pay-Related Benefits	41	36	23	100
Health Insurance	49	30	21	100

**Note:** Figure 4.4 shows the auditor's adjustment of pay-related benefits and health insurance.

Pay-related benefits, such as retirement and Medicare, are based on a percentage of pay, and so the percentages for the pay and benefits in Figure 4.3 should be the same. Health insurance costs are based on coverage levels (e.g. family vs. single) rather than pay levels, so the percentage assigned to each cost center may differ from pay. However, the variance shown in Figure 4.3 is excessive.

**Pay-related benefits, such as retirement, are based on a percentage of pay.**

## **Pay-Related Benefits and Health Insurance Costs Were Reassigned by the Auditors**

As noted earlier, our tests confirmed that VECC's assignment of salary expenses to cost centers was correct even when employees worked in two or three cost centers during a pay period. Since pay-related benefits are based on a percentage of pay, their costs should have the same distribution. Therefore, we simply assigned pay-related benefit costs to the cost centers based on pay so the costs were aligned with where the employees worked.

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**VECC assigns health insurance costs the same way as pay-related benefits—based on the employee's regular job assignment.**

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VECC assigns health insurance costs the same way as pay-related benefits—based on the employee's regular job assignment. However, we did not reassign health insurance costs according to pay percentages because of two complicating factors. First, different levels of health insurance coverage are provided to employees (family, two-party, single, none), which affect the health insurance costs for each cost center. Second, average pay for call takers is somewhat less than for dispatchers, and pay level affects the percent that a fixed benefit cost represents. Because of these complicating factors, we completed a detailed review of health insurance coverage levels by cost center.

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**Our assignment of health insurance costs varied considerably from VECC's assignments.**

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We reviewed health insurance coverage levels for VECC's fiscal year 2008. We found that the distribution of coverage levels (family, two-party, single, or none) differed somewhat among call takers and dispatchers but did not cause a large difference among cost centers. After considering both coverage levels and pay levels, we assigned health insurance costs as shown in Figure 4.4 for fiscal years 2007 and 2008, based on the 2008 coverage levels. Thus, our assignment of health insurance costs (38 percent to call taking, 41 percent to police dispatch, and 19 percent to fire dispatch) varied considerably from VECC's assignments shown earlier in Figure 4.3.

**Figure 4.4 Auditor-Adjusted Employee-Related Expenses for Fiscal Years 2007 and 2008.** After we reassigned pay-related benefits and health insurance costs, employee expenses decreased for the call-taking cost center.

<b>Fiscal Year 2007</b>	<b>Call Taking</b>	<b>Police Dispatch</b>	<b>Fire Dispatch</b>
Pay-Related Benefits	\$ 349,100	\$ 456,600	\$ 246,100
Health Insurance	<u>294,500</u>	<u>317,800</u>	<u>162,700</u>
Total per Audit	\$ 643,600	\$ 774,400	\$ 408,800
Total per VECC (see Figure 4.3)	<u>811,000</u>	<u>626,500</u>	<u>389,300</u>
Difference per Audit	(\$ 167,400)	\$ 147,900	\$ 19,500

<b>Fiscal Year 2008</b>	<b>Call Taking</b>	<b>Police Dispatch</b>	<b>Fire Dispatch</b>
Pay-Related Benefits	\$ 333,400	\$ 452,100	\$ 228,400
Health Insurance	<u>331,200</u>	<u>360,400</u>	<u>187,800</u>
Total per Audit	\$ 664,600	\$ 812,500	\$ 416,200
Total per VECC (see Figure 4.3)	<u>849,600</u>	<u>626,700</u>	<u>417,000</u>
Difference per Audit	(\$ 185,000)	\$ 185,800	(\$ 800)

Including both pay-related benefits and health insurance costs, Figure 4.4 shows that our audit adjustments reduced the employee compensation costs assigned to the call-taking cost center by \$167,400 for 2007 and \$185,000 for 2008. Most of those expenses should have been assigned to the police dispatch cost center. (We did not reassign benefit costs for the administration and technical services indirect cost centers.) However, as discussed next, we did adjust how all indirect costs were assigned to the three primary cost centers based on a formula.

### **Indirect Cost Allocation Needs to Be Adjusted**

For fiscal years 2007 and 2008, VECC allocated all indirect costs based on an analysis of the space utilized by the three cost centers at the VECC facility. However, we disagree with the calculation of the square-footage assessment and believe it assigns too many of the indirect costs to the call-taking cost center.

Several methods can be developed to allocate VECC's indirect costs, which total more than \$2 million. We used the staff hours

**Our audit adjustments reduced the employee compensation costs assigned to the call-taking cost center by \$167,400 for 2007 and \$185,000 for 2008.**

**VECC allocated all indirect costs based on a square-footage analysis for 2007 and 2008.**

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**When VECC changed from a staff-based to space-based method, it shifted a large amount of indirect costs to the call-taking cost center.**

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worked in each of the three cost centers to measure the workload. In fact, VECC formerly used a similar allocation method based on the number of employees in each area. When VECC changed from a staff-based to a space-based method, it shifted a large amount of indirect costs from the two dispatch cost centers to call taking. Figure 4.5 shows VECC's former and current allocation formulas as well as the result of our audit analysis.

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**Figure 4.5 Allocation Formulas for Indirect Costs.** Different formulas are available to allocate VECC's indirect costs that totaled almost \$2.8 million in fiscal year 2008.

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<b>Cost Center</b>	<b>VECC FY 2005</b>	<b>VECC FY 2006 - 2008</b>	<b>Audit Method</b>
Call Taking	39 %	65 %	40 %
Police Dispatch	44	25	41
Fire Dispatch	17	10	19

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**VECCs allocation formula keeps dispatch costs down.**

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Our analysis is similar to the method that VECC used prior to fiscal year 2006 to allocate indirect costs among the three cost centers. Our concern is that the square-footage analysis, which was approved by VECC's governing board to allocate indirect costs beginning fiscal year 2006, shifted an additional 16 percent of the indirect costs to the call-taking cost center. This change in fiscal year 2006 for the allocation of indirect costs gives the appearance that VECC shifted indirect costs to the call-taking cost center to keep the police and fire dispatch costs down. By keeping dispatch costs down, the jurisdictions in VECC's service area pay lower dispatching assessments to VECC.

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**We disagree with the square-footage assessment, and believes it assigns too many of the indirect costs to call taking.**

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**Square-Footage Analysis Is Problematic.** We question the space-based formula both because the calculations seem flawed and because the areas included are subjective. The square-footage analysis for allocating all indirect costs focused on the following three areas at the VECC facility (less than one-fourth of total square footage of the VECC facility). All other space at VECC was considered common area.

- **The physical space that work stations for each cost center occupy in the operations room.** The calculations used to determine the space utilized by work stations for each cost

center in the operations room were not correct. This error resulted in large differences in the amount of space utilized by some stations, even though all work station dimensions are the same. Furthermore, call-taking activities can be done from any work station in any cost center in the operations room.

- **The space that equipment for each cost center occupies in the computer room.** After we did a walk-through of the computer room and talked with the Technical Services Manager, we disagreed with the large space dedicated to call taking in the assessment. The space analysis showed that 60 percent of the computer room's equipment was used exclusively for call taking, and the remaining 40 percent was used equally by all three cost centers. As a result, a total of 86 percent of the room's cost was dedicated for the call-taking cost centers.
- **The space occupied in the two training rooms by the cost centers.** After discussing the use of the space with employees at VECC, we believed too much space was dedicated to the call-taking cost center. The analysis assigned 1.5 of the 2 training rooms exclusively to call taking.

We are concerned with some of the subjective decisions in the space utilization analysis. For example, it appears that the space analysis has given too much training space exclusively to the call-taking cost center. All employees at VECC are trained to work as call takers first. After employees are competent as call takers, they receive additional training to be police and/or fire dispatchers. However, some of the initial training also provides relevant background training to work as a police and/or fire dispatcher, and those training costs apply to all cost centers.

**Staff Hours Can Be Used as a Basis for Allocating Indirect Costs.** A two-week analysis of the hours worked by staff in each of the three cost centers showed the following:

- 40 percent of the hours was spent in call taking.
- 41 percent of the hours was spent in police dispatch.
- 19 percent of the hours was spent in fire and medical dispatch.

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**We are concerned with some of the subjective decisions in the space utilization analysis.**

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**Staff hours can be used to measure workload.**

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**The police dispatch cost center has the highest workload because each of the 12 radio positions must be staffed all the time.**

Other work schedules were reviewed for 2007 and 2008, and our own observations showed similar results. The police dispatch cost center had the highest percentage because each of the 12 radio positions must be staffed all of the time. Fire and medical radio channels must be staffed as well, but there are only 4 positions. In terms of staffing, the call-taking cost center has more flexibility.

The percentages, listed above, that measure workload can be used to allocate indirect costs. This methodology shows a different allocation of indirect expenses when compared to the square-footage analysis. The square-footage analysis showed that 65 percent of indirect costs were allocated to call taking, 25 percent were allocated to police dispatch, and 10 percent were allocated to fire dispatch—quite different from the percentage of pay for each cost center shown in Figure 4.3.

Figure 4.6 below shows the difference in allocating indirect costs based on staffing rather than on the square-footage assessment.

**Figure 4.6 Allocation of Indirect Costs Based on VECC's Square Footage Method vs. the Audit's Staffing Method.** Allocating indirect costs on staffing shifts cost from call taking to police and fire dispatch.

<b>FY 2007</b>	<b>Call Taking</b>	<b>Police Dispatch</b>	<b>Fire Dispatch</b>	<b>Total</b>
Per VECC	\$ 1,489,200	\$ 592,800	\$ 232,800	\$ 2,314,800
Per Audit	<u>925,900</u>	<u>949,100</u>	<u>439,800</u>	<u>2,314,800</u>
Difference	(\$ 563,300)	\$ 356,300	\$ 207,000	\$ 0

<b>FY 2008</b>	<b>Call Taking</b>	<b>Police Dispatch</b>	<b>Fire Dispatch</b>	<b>Total</b>
Per VECC	\$ 1,788,400	\$ 697,400	\$ 298,100	\$ 2,783,900
Per Audit	<u>1,113,600</u>	<u>1,141,400</u>	<u>528,900</u>	<u>2,783,900</u>
Difference	(\$ 674,800)	\$ 444,000	\$ 230,800	\$ 0

This figure shows that about 24 percent of VECC's total indirect costs should have been reallocated from call taking to police and fire dispatch for fiscal years 2007 and 2008.



## 911 Call-Taking Revenues Are Sufficient

After making the adjustments to VECC expenses described in the previous section, we looked at the revenue that VECC receives. We found that the revenue from the 911 call-taking surcharge is more than sufficient to pay for call-taking expenses. Figure 4.7 below shows the 911 call-taking surcharge and the total revenue and expenses for each cost center for fiscal years 2007 and 2008.

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**We found that the revenue from the 911 call-taking surcharge is more than sufficient to pay for call-taking expenses.**

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**Figure 4.7 VECC Revenues by Cost Center.** 911 call-taking surcharge and other revenue exceeded call-taking expenses by \$1,981,400 in 2007 and \$919,000 in 2008.

Fiscal Year 2007	Call Taking	Police Dispatch	Fire Dispatch	Total
911 Surcharge	\$ 6,014,600	\$ 0	\$ 0	\$ 6,014,600
Agency Fees	0	2,809,100	1,204,000	4,013,100
Other Revenue	<u>223,900</u>	<u>229,500</u>	<u>117,300</u>	<u>570,700</u>
Total Revenue	\$ 6,238,500	\$ 3,038,600	\$ 1,321,300	\$ 10,598,400
Total Expenses	<u>4,257,100</u>	<u>3,806,900</u>	<u>1,911,400</u>	<u>9,975,400</u>
Difference	\$ 1,981,400	(\$ 768,300)	(\$ 590,100)	\$ 623,000

Fiscal Year 2008	Call Taking	Police Dispatch	Fire Dispatch	Total
911 Surcharge	\$ 5,258,000	\$ 0	\$ 0	\$ 5,258,000
Agency Fees	0	2,737,400	1,481,300	4,218,700
Other Revenue	<u>97,600</u>	<u>150,000</u>	<u>63,900</u>	<u>311,500</u>
Total Revenue	\$ 5,355,600	\$ 2,887,400	\$ 1,545,200	\$ 9,788,200
Total Expenses	<u>4,435,700</u>	<u>4,161,700</u>	<u>2,069,800</u>	<u>10,667,200</u>
Difference	\$ 919,900	(\$ 1,274,300)	(\$ 524,600)	(\$ 879,000)

The revenue from the 911 call-taking surcharge is the main revenue source for the call-taking cost center. For fiscal year 2007, 96 percent of call-taking revenue was from the call-taking surcharge; in fiscal year 2008, it was 98 percent. Other revenue that VECC receives is from grants, lease revenue, interest income, and other miscellaneous revenue. VECC allocates these other revenue sources based on the square-footage formula. For the figure above, we allocated these other revenue sources based on the same methodology used to allocate indirect costs discussed in the previous section.

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**Surcharge revenue is the main revenue source for the call-taking cost center.**

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**The board of trustees, who approves fee levels, may be reluctant to increase dispatch fees.**

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**Agency Fees Do Not Recover Full Dispatch Costs.** Shifting expenses to the call-taking cost center makes expenses lower for police and fire dispatch. Figure 4.7 shows that neither police nor fire dispatch received adequate fees to cover their costs in either fiscal year, after we adjusted employee benefit costs and indirect costs. To fully cover dispatch costs in fiscal year 2008, police agencies would have had to pay 47 percent more and fire agencies 35 percent more. The shortfall is made up by using 911 surcharge revenues and/or drawing on VECC's fund balance.

Although our analysis shows dispatch fees are too low, the VECC Board of Trustees may be reluctant to increase them to fully cover costs. The board of trustees, who approves fee levels, is comprised of representatives from the local jurisdictions for which VECC provide dispatching services. While the local jurisdictions may be reluctant to increase the fees that they must pay, the alternative is to continue using 911 funds to subsidize dispatch costs. However, *Utah Code* currently appears to prohibit using the telephone surcharge for dispatch service costs. Chapter II discussed some statutory changes the Legislature could consider in how the 911 surcharge can be used.

## **Recommendations**

1. We recommend that VECC allocate both pay-related benefits costs and health insurance costs according to actual staffing/salary.
2. We recommend that VECC change their methodology for allocating indirect costs to reflect the actual workload in each cost center.
3. We recommend that VECC set dispatch fees to recover the full costs of dispatch services.

## **Chapter V**

### **County Surcharge Revenue Does Not Cover Call-Taking Costs**

We found that the amount of surcharge revenue that the county retains does not cover all of the estimated call-taking costs for unincorporated areas of the county. Salt Lake County receives 911 surcharge revenue for unincorporated areas of the county. Salt Lake County splits this revenue between the Sheriff's Communications Division and Valley Emergency Communications Center (VECC).

Salt Lake County does not separate call-taking from dispatching costs by identifying direct call-taking and dispatching expenses. The accounting for the Sheriff's Communications Division is done by the Sheriff's Fiscal Office, which estimates call-taking costs by taking 35 percent of all expenses. This percentage lacks verifiable data, and our own auditor assessments show the percentage of expenses related to call taking to be 54 percent. Since call-taking costs exceed the amount of surcharge revenue retained, our review shows that surcharge revenue has not been used to cover dispatching costs for fiscal years 2007 and 2008.

The Salt Lake County Sheriff's Office oversees the Sheriff's Communications Division, which conducts 911 law enforcement call taking and dispatching for the unincorporated areas of Salt Lake County and five contract cities. The 911 surcharge revenue the county receives can only be applied to unincorporated call taking expenses, and if any excess surcharge revenue exists, it should be properly carried over and applied to the next year's unincorporated call-taking expenses.

### **Cost-Accounting System Focuses on Fund Accounting**

The cost-accounting methods of the Sheriff's Communications Division are different than those of VECC described in the prior chapter. Unlike VECC, which has a single fund, Salt Lake County separates the Sheriff's Communications Division costs for the

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**Salt Lake County splits  
its 911 revenue  
between the Sheriff's  
Communication  
Division and VECC.**

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**Salt Lake County does not separate call-taking from dispatching costs, by identifying direct call taking and dispatching expenses.**

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**Salt Lake County separates the Sheriff's Communications Division costs for the Municipal Services Fund from the General Fund.**

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Municipal Services Fund from the General Fund. Salt Lake County does not separate call-taking from dispatching costs, by identifying direct call taking and dispatching expenses. Instead, Salt Lake County estimates call-taking costs by taking 35 percent of all expenses. However, there is no analysis to support that percentage, and our own auditor assessments show the percentage of expenses related to call taking to be 54 percent.

### **Statute Requires Fund Accounting**

To comply with state law, the county's fund-accounting system divides the expenses and revenues of the Sheriff's Communications Division into two major funds: the Municipal Services Fund and the General Fund. Accurate accounting for these two funds is important because municipal services that are provided in only some parts of the county cannot be paid from general countywide revenues.

The Sheriff's Communications Division's cost is a small part of the two funds, and it was beyond our scope to look at the funds in detail. However, some questions arose as we examined the assignment of costs between the two funds. For example, the Sheriff's Office share of county administrative overhead is charged to funds within the Sheriff's Communications Division based on full-time equivalents (FTEs). Yet there is inconsistency when this same overhead is assigned between funds. Only 16 percent of the FTEs are assigned to the General Fund, yet 37 percent of the county administrative overhead costs are charged to the General Fund. We believe a similar allocation based on the percent of FTEs should apply to each of these funds.

Even if costs were reallocated between the two funds, it would be immaterial considering the relative sizes of the funds. Still, the fiscal officer for the County Sheriff's Office agreed that the assignment of these costs to the funds should be reviewed. Our main focus was not on fund accounting issues, but on call taking vs. dispatch costs in the Sheriff's Communications Division.

### **Sheriff's Communications Division Has a Simple Formula to Estimate Call-Taking Costs**

The Sheriff's Fiscal Office uses a flat percentage that former county officials developed to estimate the portion of the Sheriff's

Communications Division's costs related to call taking. No costs are identified as direct costs that benefit only call taking or dispatch. No analysis or documentation was available to support the 35 percent estimate that the Sheriff's Fiscal Office uses to estimate the Sheriff's Communications Division costs.

The Sheriff's Communications Division has not separated direct costs and indirect costs relating to call-taking and dispatching activities. The 35 percent has been applied to all costs. Some relatively minor expenses could be directly attributed to either call taking or dispatching only. For instance, emergency phone lines and language translation solely benefit call taking, while radio equipment costs can be attributed to dispatching. However, since the amounts were small, directly assigning them was not materially important. Nonetheless, if large costs are incurred in the future that apply to only one function or the other, they should be directly assigned rather than using a percentage.

## County's Call-Taking Cost Estimate Is Low

We found that the county's 35 percent assignment of costs to call taking was too little. Using a more reasonable 54 percent, our estimate increases call-taking costs by about \$600,000 to \$1.7 million for 2008. In contrast, our estimated dispatch costs decrease by \$600,000 to \$1.5 million for that same year.

Similar to VECC employees, individual employees at the Sheriff's Communications Division work as call takers and dispatchers at different times. However, call takers will often monitor radios for dispatchers, and dispatchers will also answer incoming calls. We feel using an allocation formula to separate out many call-taking and dispatching costs is necessary, because of the blending of call-taking and dispatch responsibilities, along with the fact that 86 percent of the total costs are for personnel.

We conducted a workload study to determine how personnel costs and indirect expenses should be allocated. Our analysis showed that call taking was more than 35 percent of total workload. In our efforts to identify the percentage of workload that is call-taking related, we focused on two methods:

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**We found that the county's 35 percent assignment of costs to call taking was too little.**

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**Our analysis shows that the county should assign 54 percent of costs to call taking.**

- Staffing schedules—We analyzed the number of hours staff were assigned and functioned as call takers and dispatchers for the first quarter of 2009.
- Computer logon hours—We analyzed the number of hours staff were logged onto their computers as either a dispatcher or call taker for all of 2008.

We also compared staffing and logon hours to call volumes, which helped us make adjustments to account for some of the blended functions. However, we found that staffing schedules and computer logon hours provide reasonable approximations to determine call-taking activities. The two methods used to identify call-taking workload showed similar results:

- 54.2 percent of all scheduled work hours are for call taking.
- 53.7 percent of all computer logon hours are for call taking.

Based on this data, we assigned 54 percent of costs to call taking. Figure 5.1 shows the difference in the estimated call-taking costs by applying the 54 percent figure we calculated and the 35 percent figure traditionally used by the county.

**Figure 5.1 Comparison of Salt Lake County Call-Taking Costs.** The Sheriff's Fiscal Office has underestimated expenses related to call taking.

	2007	2008
Total Expenses	<u>\$3,010,000</u>	<u>\$3,212,800</u>
County Estimated Call-Taking Costs (35%)	1,053,500	1,124,500
Auditor Estimated Call-Taking Costs (54%)	<u>1,625,400</u>	<u>1,734,900</u>
Difference	571,900	610,400

**According to our analysis, the county underestimated call-taking expenses in fiscal years 2007 and 2008.**

The figure shows that, according to our analysis, the county underestimated call-taking expenses by \$571,900 in fiscal year 2007 and by \$610,300 in 2008. Surcharge revenue that the county receives can only be applied toward call-taking costs. Therefore, our higher estimate has the effect of increasing the Sheriff's Communications Division's costs that are eligible for 911 funds. However, as was

mentioned in chapter II, there are two important policy issues to consider:

- **Definition of Emergency Call Taking.** The vast majority of the calls received by the Sheriff's Communications Division are not from 911 lines, but are from 10-digit lines. Most of the incoming calls over 10-digit lines are non-emergency calls. It is common for PSAPs to answer both emergency and non-emergency calls, but at the Sheriff's Communications Division, only about 8 percent of incoming calls are received through the 911 system and 92 percent are received over 10-digit lines. In comparison, about 39 percent of VECC's incoming calls are through the 911 system, and 61 percent over 10-digit lines.
- **Eligibility of Secondary PSAPs for Surcharge Funding.** In most cases, 911 funds pay for equipment to get 911 calls to a primary PSAP and for staff to answer the calls. As a secondary PSAP, the Sheriff's Communications Division only receives 911 calls transferred to it by a primary PSAP so that it can dispatch public safety responders.

As discussed in Chapter II, the Legislature may want to clarify state policy on the use of the 911 surcharge.

## **Call-Taking Costs Exceed County Surcharge Revenue**

The Utah State Tax Commission collects 911 surcharge revenue from telecommunication companies and disburses it to local jurisdictions throughout the state. Salt Lake County receives surcharge revenue only for the unincorporated areas of the county. The county believes they receive more than their fair share of the total 911 surcharge funds for the county and returns part of this revenue to VECC. The county then splits the remaining surcharge with VECC because they handle fire and medical call taking for the unincorporated areas of the county. We found that the amount of surcharge revenue that the county retains does not cover all of the estimated call-taking costs for unincorporated areas of the county.

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**The vast majority of the calls received by the Sheriff's Communication Division are not from 911 lines, but are from 10-digit lines.**

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**The county believes they receive more than their fair share of the total 911 surcharge funds for the county and returns part of this revenue to VECC.**

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## **County Allocates Surcharge Revenue Between the Sheriff's Office and VECC**

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**An interlocal agreement gives VECC a portion of the county's surcharge revenue to pay for fire and medical call-taking costs for unincorporated areas.**

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Before 2006, VECC directly received all surcharge revenue for the unincorporated areas of the county from the Utah State Tax Commission. VECC, under a longstanding agreement, gave \$100,000 of the surcharge revenue each year to the county, to pay for the Sheriff's Communications Division's police call-taking costs. Salt Lake County had been concerned that VECC was using the surcharge revenue to go toward dispatching costs as well as call-taking costs. In 2005, Salt Lake County requested that the Utah State Tax Commission send the surcharge revenue directly to the county. An interlocal agreement was created between Salt Lake County and VECC, that gives VECC a portion of the surcharge revenue to pay for fire and medical call-taking costs for unincorporated areas of the county.

When telecommunications companies send 911 surcharge revenue to the Utah Tax Commission, they must identify the local jurisdiction where the tax was collected. Some companies defaulted the location of the tax to Salt Lake County, leading the county to receive more 911 funds than they felt warranted to receive. The county can only receive 911 surcharge revenues from unincorporated areas of the county, so the county completed an analysis to determine the amount of surcharge revenue that should be distributed to the county for the unincorporated areas.

The county believes they have received more than their fair share of surcharge revenue from the Tax Commission. Therefore, the county gives VECC any amount of surcharge revenue that exceeds the benchmark of 16.69 percent, since VECC is the primary PSAP for the county. The remaining surcharge revenue belonging to the unincorporated areas is then split 50/50 with VECC. This is done because VECC does the fire and medical call taking and the Sheriff's Communications Division handles police 911 call taking for the unincorporated areas. In fiscal year 2008, the county received \$1,342,500 in surcharge revenue and gave VECC \$839,900 as the primary PSAP.

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**In fiscal year 2008, the county received \$1.3 million in surcharge revenue and gave VECC \$839,900.**

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## The County's Distribution of Surcharge Revenue Does Not Cover Their Call-Taking Costs

In the past, the Sheriff's Fiscal Office applied their 35 percent formula to all call-taking expenses for all the cities that the Sheriff's Communications Division serves. Salt Lake County levies 911 surcharges on those citizens living in the unincorporated areas of the county and does not collect surcharge revenue for the cities they contract with. Those 911 surcharge revenues the county collects can only be used to pay for call-taking expenses for the unincorporated areas of the county. Our analysis shows that the surcharge revenue retained does not cover the call-taking costs for the unincorporated areas of the county.

As was mentioned in Chapter II, 92 percent of the incoming calls received by the Sheriff's Communications Division are from 10-digit lines, and most are non-emergency calls. If the Legislature determines that 911 surcharge revenues should only pay for call taking from 911 lines, then the 911 surcharge the county currently receives would be more than sufficient to answer these calls.

Figure 5.2 shows the estimated call-taking costs for the unincorporated areas for fiscal years 2007 and 2008. The figure also shows 911 surcharge revenue that the county retains and applies toward the unincorporated areas' call-taking expenses.

**Figure 5.2 Estimated Unincorporated Call-Taking Costs.** 911 surcharge revenues do not cover unincorporated call-taking costs.

Sheriff's Communications Division	FY 2007	FY 2008
Total Expenses	\$ 3,010,000	\$ 3,212,800
Estimated Unincorporated Expenses	1,283,300	1,501,400
Unincorporated Call-Taking Costs (54%)	693,000	810,800
911 Surcharge Revenue	690,600	529,500
Difference	\$ 2,400	\$ 281,300

In 2007, 911 funds came within \$2,400 of meeting the call-taking expenses for the unincorporated areas. Our review shows that surcharge revenue has not been used to cover dispatching costs for fiscal years 2007 and 2008. If the county had kept the additional

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**Salt Lake County levies 911 surcharges on those citizens living in the unincorporated areas of the county.**

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**Surcharge revenue did not cover the call-taking expenses for the unincorporated areas for 2007 and 2008.**

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surcharge revenue rather than distributing it to VECC, they would have had enough revenue to cover their call-taking costs.

The county places the surcharge revenue in the Municipal Services Fund, where the expenses for unincorporated areas of the county are assigned. However, revenue and expenses for other municipalities are also kept in the Municipal Services Fund. Even though the surcharge revenue is identifiable in the Municipal Services Fund, an internal control may need to be created, so that if excess surcharge revenue exists, it can be properly carried over and applied to the next year's unincorporated call-taking expenses.

## **Recommendation**

1. We recommend that the Sheriff's Fiscal Office review call-taking and dispatching expenses by doing the following:
  - Reviewing the assignment of indirect costs
  - Reviewing and applying an appropriate methodology to determine call-taking expenses
  - Ensuring surcharge revenues are applied appropriately to the designated areas where the surcharge revenue is collected

## **Appendices**

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**Appendix A**

***Utah Code 69-2***  
**and**  
***Utah Code 53-10-601 to 606***

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## **Appendix A, part 1**

### ***Utah Code 69-2***

#### **69-2-1. Short title.**

This chapter is known as the "Emergency Telephone Service Law."

#### **69-2-2. Definitions.**

As used in this chapter:

(1) "911 emergency telephone service" means a communication system which provides citizens with rapid direct access to public emergency operation centers by dialing the telephone number "911" with the objective of reducing the response time to situations requiring law enforcement, fire, medical, rescue, and other emergency services.

(2) "Local exchange service" means the provision of public telecommunications services by a wireline common carrier to customers within a geographic area encompassing one or more local communities as described in the carrier's service territory maps, tariffs, price lists, or rate schedules filed with and approved by the Public Service Commission.

(3) "Local exchange service switched access line" means the transmission facility and local switching equipment used by a wireline common carrier to connect a customer location to a carrier's local exchange switching network for providing two-way interactive voice, or voice capable, services.

(4) "Mobile telecommunications service" is as defined in Section 54-8b-2.

(5) "Public agency" means any county, city, town, special service district, or public authority located within the state which provides or has authority to provide fire fighting, law enforcement, ambulance, medical, or other emergency services.

(6) "Public safety agency" means a functional division of a public agency which provides fire fighting, law enforcement, medical, or other emergency services.

(7) "Radio communications access line" means the radio equipment and assigned customer identification number used to connect a mobile or fixed radio customer in Utah to a radio communication service provider's network for two-way interactive voice, or voice capable, services.

(8) "Radio communications service" means a public telecommunications service providing the capability of two-way interactive telecommunications between mobile and fixed radio customers, and between mobile or fixed radio customers and the local exchange service network customers of a wireline common carrier. Radio communications service providers include corporations, persons or entities offering cellular telephone service, enhanced specialized mobile radio service, rural radio service, radio common carrier services, personal communications services, and any equivalent wireless public telecommunications service, as defined in 47 CFR, parts 20, 21, 22, 24, and 90.

(9) "Wireline common carrier" means a public telecommunications service provider that primarily uses metallic or nonmetallic cables and wires for connecting customers to its local exchange service networks.

#### **69-2-3. 911 service -- Establishment.**

The governing authority of any public agency may establish a 911 emergency telephone service to provide service to any part or all of the territory lying within the geographical area of such public agency and may join with the governing authority of any other public agency to provide emergency telephone service to any part or all of the territory lying within their respective jurisdictions. A county may provide 911 emergency telephone service within other public safety agency jurisdictions only upon agreement with the governing authority of such public safety agency.

#### **69-2-4. Administration.**

The administration of the 911 emergency telephone system shall be provided by the governing authority of the public agency establishing 911 emergency telephone service either directly or by the appointment of employees of the public agency as directed by the governing authority, except that any 911 emergency telephone service established by a special service district shall be administered as set forth in Title 17D, Chapter 1, Special Service District Act.

#### **69-2-5. Funding for 911 emergency telecommunications service.**

(1) In providing funding of 911 emergency telecommunications service, any public agency establishing a 911 emergency telecommunications service may:

(a) seek assistance from the federal or state government, to the extent constitutionally permissible, in the form of loans, advances, grants, subsidies, and otherwise, directly or indirectly;

(b) seek funds appropriated by local governmental taxing authorities for the funding of public safety agencies; and

(c) seek gifts, donations, or grants from individuals, corporations, or other private entities.

(2) For purposes of providing funding of 911 emergency telecommunications service, special service districts may raise funds as provided in Section 17D-1-105 and may borrow money and incur indebtedness as provided in Section 17D-1-103.

(3) (a) Except as provided in Subsection (3)(b) and subject to the other provisions of this Subsection (3) a county, city, or town within which 911 emergency telecommunications service is provided may levy monthly an emergency services telecommunications charge on:

(i) each local exchange service switched access line within the boundaries of the county, city, or town;

(ii) each revenue producing radio communications access line with a billing address within the boundaries of the county, city, or town; and

(iii) any other service, including voice over Internet protocol, provided to a user within the boundaries of the county, city, or town that allows the user to make calls to and receive calls from the public switched telecommunications network, including commercial mobile radio service networks.

(b) Notwithstanding Subsection (3)(a), an access line provided for public coin telecommunications service is exempt from emergency telecommunications charges.

(c) The amount of the charge levied under this section may not exceed:

(i) 61 cents per month for each local exchange service switched access line;

(ii) 61 cents per month for each radio communications access line; and

(iii) 61 cents per month for each service under Subsection (3)(a)(iii).

(d) (i) For purposes of this Subsection (3)(d) the following terms shall be defined as provided in Section 59-12-102 or 59-12-215:

(A) "mobile telecommunications service";

(B) "place of primary use";

(C) "service address"; and

(D) "telecommunications service."

(ii) An access line described in Subsection (3)(a) is considered to be within the boundaries of a county, city, or town if the telecommunications services provided over the access line are located within the county, city, or town:

(A) for purposes of sales and use taxes under Title 59, Chapter 12, Sales and Use Tax Act; and

(B) determined in accordance with Section 59-12-215.

(iii) The rate imposed on an access line under this section shall be determined in accordance with Subsection (3)(d)(iv) if the location of an access line described in Subsection (3)(a) is determined under Subsection (3)(d)(ii) to be a county, city, or town other than county,



city, or town in which is located:

- (A) for a telecommunications service, the purchaser's service address; or
- (B) for mobile telecommunications service, the purchaser's place of primary use.

(iv) The rate imposed on an access line under this section shall be the lower of:

(A) the rate imposed by the county, city, or town in which the access line is located under Subsection (3)(d)(ii); or

(B) the rate imposed by the county, city, or town in which it is located:

- (I) for telecommunications service, the purchaser's service address; or
- (II) for mobile telecommunications service, the purchaser's place of primary use.

(e) (i) A county, city, or town shall notify the Public Service Commission of the intent to levy the charge under this Subsection (3) at least 30 days before the effective date of the charge being levied.

(ii) For purposes of this Subsection (3)(e):

(A) "Annexation" means an annexation to:

- (I) a city or town under Title 10, Chapter 2, Part 4, Annexation; or
- (II) a county under Title 17, Chapter 2, Annexation to County.

(B) "Annexing area" means an area that is annexed into a county, city, or town.

(iii) (A) Except as provided in Subsection (3)(e)(iii)(C) or (D), if on or after July 1, 2003, a county, city, or town enacts or repeals a charge or changes the amount of the charge under this section, the enactment, repeal, or change shall take effect:

(I) on the first day of a calendar quarter; and

(II) after a 90-day period beginning on the date the State Tax Commission receives notice meeting the requirements of Subsection (3)(e)(iii)(B) from the county, city, or town.

(B) The notice described in Subsection (3)(e)(iii)(A) shall state:

(I) that the county, city, or town will enact or repeal a charge or change the amount of the charge under this section;

(II) the statutory authority for the charge described in Subsection (3)(e)(iii)(B)(I);

(III) the effective date of the charge described in Subsection (3)(e)(iii)(B)(I); and

(IV) if the county, city, or town enacts the charge or changes the amount of the charge described in Subsection (3)(e)(iii)(B)(I), the amount of the charge.

(C) Notwithstanding Subsection (3)(e)(iii)(A), the enactment of a charge or a charge increase under this section shall take effect on the first day of the first billing period:

(I) that begins after the effective date of the enactment of the charge or the charge increase; and

(II) if the billing period for the charge begins before the effective date of the enactment of the charge or the charge increase imposed under this section.

(D) Notwithstanding Subsection (3)(e)(iii)(A), the repeal of a charge or a charge decrease under this section shall take effect on the first day of the last billing period:

(I) that began before the effective date of the repeal of the charge or the charge decrease; and

(II) if the billing period for the charge begins before the effective date of the repeal of the charge or the charge decrease imposed under this section.

(iv) (A) Except as provided in Subsection (3)(e)(iv)(C) or (D), if for an annexation that occurs on or after July 1, 2003, the annexation will result in the enactment, repeal, or a change in the amount of a charge imposed under this section for an annexing area, the enactment, repeal, or change shall take effect:

(I) on the first day of a calendar quarter; and

(II) after a 90-day period beginning on the date the State Tax Commission receives notice meeting the requirements of Subsection (3)(e)(iv)(B) from the county, city, or town that annexes the annexing area.

(B) The notice described in Subsection (3)(e)(iv)(A) shall state:

(I) that the annexation described in Subsection (3)(e)(iv)(A) will result in an enactment, repeal, or a

change in the charge being imposed under this section for the annexing area;

(II) the statutory authority for the charge described in Subsection (3)(e)(iv)(B)(I);

(III) the effective date of the charge described in Subsection (3)(e)(iv)(B)(I); and

(IV) if the county, city, or town enacts the charge or changes the amount of the charge described in Subsection (3)(e)(iv)(B)(I), the amount of the charge.

(C) Notwithstanding Subsection (3)(e)(iv)(A), the enactment of a charge or a charge increase under this section shall take effect on the first day of the first billing period:

(I) that begins after the effective date of the enactment of the charge or the charge increase; and

(II) if the billing period for the charge begins before the effective date of the enactment of the charge or the charge increase imposed under this section.

(D) Notwithstanding Subsection (3)(e)(iv)(A), the repeal of a charge or a charge decrease under this section shall take effect on the first day of the last billing period:

(I) that began before the effective date of the repeal of the charge or the charge decrease; and

(II) if the billing period for the charge begins before the effective date of the repeal of the charge or the charge decrease imposed under this section.

(f) Subject to Subsection (3)(g), an emergency services telecommunications charge levied under this section shall:

(i) be billed and collected by the person that provides the:

(A) local exchange service switched access line services; or

(B) radio communications access line services; and

(ii) except for costs retained under Subsection (3)(h), remitted to the State Tax Commission.

(g) An emergency services telecommunications charge on a mobile telecommunications service may be levied, billed, and collected only to the extent permitted by the Mobile Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.

(h) The person that bills and collects the charges levied under Subsection (3)(f) may:

(i) bill the charge imposed by this section in combination with the charge levied under Section 69-2-5.6 as one line item charge; and

(ii) retain an amount not to exceed 1.5% of the levy collected under this section as reimbursement for the cost of billing, collecting, and remitting the levy.

(i) The State Tax Commission shall:

(i) collect, enforce, and administer the charge imposed under this Subsection (3) using the same procedures used in the administration, collection, and enforcement of the state sales and use taxes under:

(A) Title 59, Chapter 1, General Taxation Policies; and

(B) Title 59, Chapter 12, Part 1, Tax Collection, except for:

(I) Section 59-12-104;

(II) Section 59-12-104.1;

(III) Section 59-12-104.2;

(IV) Section 59-12-107.1; and

(V) Section 59-12-123;

(ii) transmit monies collected under this Subsection (3):

(A) monthly; and

(B) by electronic funds transfer by the commission to the county, city, or town that imposes the charge; and

(iii) charge the county, city, or town for the State Tax Commission's services under this Subsection (3) in an amount:

(A) sufficient to reimburse the State Tax Commission for the cost to the State Tax Commission in rendering the services; and

(B) that may not exceed an amount equal to 1.5% of the charges imposed under this Subsection (3).

(4) (a) Any money received by a public agency for the provision of 911 emergency telecommunications service shall be deposited in a special emergency telecommunications service fund.

(b) (i) Except as provided in Subsection (5), the money in the emergency telecommunications service fund shall be expended by the public agency to pay the costs of establishing, installing, maintaining, and operating a 911 emergency telecommunications system or integrating a 911 system into an established public safety dispatch center, including contracting with the providers of local exchange service, radio communications service, and vendors of appropriate terminal equipment as necessary to implement the 911 emergency telecommunications service.

(ii) Revenues derived for the funding of 911 emergency telecommunications service may only be used for that portion of costs related to the operation of the 911 emergency telecommunications system when such a system is integrated with any public safety dispatch system.

(c) Any unexpended money in the emergency telecommunications service fund at the end of a fiscal year does not lapse, and must be carried forward to be used for the purposes described in this section.

(5) (a) Revenue received by a local entity from an increase in the levy imposed under Subsection (3) after the 2004 Annual General Session, or from grants from the Utah 911 Committee pursuant to Section 53-10-605:

(i) shall be deposited into the special emergency telecommunications service fund described in Subsection (4)(a); and

(ii) shall only be used for that portion of the costs related to the development and operation of wireless and land-based enhanced 911 emergency telecommunications service and the implementation of wireless E-911 Phase I and Phase II services as provided in Subsection (5)(b).

(b) The costs allowed under Subsection (5)(a)(ii) shall include the public service answering point's or local entity's costs for:

(i) acquisition, upgrade, modification, maintenance, and operation of public service answering point equipment capable of receiving E-911 information;

(ii) database development, operation, and maintenance; and

(iii) personnel costs associated with establishing, installing, maintaining, and operating wireless E-911 Phase I and Phase II services, including training emergency service personnel regarding receipt and use of E-911 wireless service information and educating consumers regarding the appropriate and responsible use of E-911 wireless service.

(6) A local entity that increases the levy it imposes under Subsection (3)(c) after the 2004 Annual General Session shall increase the levy to the maximum amount permitted by Subsection (3)(c).

#### **69-2-5.5. Emergency services telecommunications charge to fund the Poison Control Center.**

(1) Subject to Subsection (7), there is imposed an emergency services telecommunications charge of 7 cents per month on each local exchange service switched access line and each revenue producing radio communications access line that is subject to an emergency services telecommunications charge levied by a county, city, or town under Section 69-2-5.

(2) The emergency services telecommunications charge imposed under this section shall be:

(a) subject to Subsection (7), billed and collected by the person that provides:

(i) local exchange service switched access line services; or

(ii) radio communications access line services;

(b) remitted to the State Tax Commission at the same time as the person remits to the State Tax Commission monies collected by the person under Title 59, Chapter 12, Sales and Use Tax Act; and

(c) deposited into the General Fund as dedicated credits to pay for:

(i) costs of establishing, installing, maintaining, and operating the University of Utah Poison Control Center; and

(ii) expenses of the State Tax Commission to administer and enforce the collection of the emergency services telecommunications charges.

(3) Funds for the University of Utah Poison Control Center program are nonlapsing.

(4) Emergency services telecommunications charges remitted to the State Tax Commission pursuant to Subsection (2) shall be accompanied by the form prescribed by the State Tax Commission.

(5) (a) The State Tax Commission shall administer, collect, and enforce the charge imposed under Subsection (1) according to the same procedures used in the administration, collection, and enforcement of the state sales and use tax under:

(i) Title 59, Chapter 1, General Taxation Policies; and

(ii) Title 59, Chapter 12, Part 1, Tax Collection, except for:

(A) Section 59-12-104;

(B) Section 59-12-104.1;

(C) Section 59-12-104.2; and

(D) Section 59-12-107.1.

(b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the State Tax Commission may make rules to administer, collect, and enforce the emergency services telecommunications charges imposed under this section.

(6) A provider of local exchange service switched access line services or radio communications access line services who fails to comply with this section is subject to penalties and interest as provided in Sections 59-1-401 and 59-1-402.

(7) An emergency services telecommunications charge under this section on a mobile telecommunications service may be imposed, billed, and collected only to the extent permitted by the Mobile Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.

**69-2-5.6. Emergency services telecommunications charge to fund statewide unified E-911 emergency service.**

(1) Subject to Subsection 69-2-5(3)(g), there is imposed a statewide unified E-911 emergency service charge on each local exchange service switched access line and each revenue producing radio communications access line that is subject to an emergency services telecommunications charge levied by a county, city, or town under Section 69-2-5 or 69-2-5.5 at:

(a) 13 cents per month until June 30, 2007; and

(b) 8 cents per month on and after July 1, 2007.

(2) The emergency services telecommunications charge imposed under this section shall be:

(a) subject to Subsection 69-2-5(3)(g);

(b) billed and collected by the person that provides:

(i) local exchange service switched access line services;

(ii) radio communications access line services; or

(iii) service described in Subsection 69-2-5(3)(a)(iii).

(c) except for costs retained under Subsection (3), remitted to the State Tax Commission at the same time as the person remits to the State Tax Commission monies collected by the person under Title 59, Chapter 12, Sales and Use Tax Act; and

(d) deposited into the Statewide Unified E-911 Emergency Service Fund restricted account in the General Fund created by Section 53-10-603.

(3) The person that bills and collects the charges levied by this section pursuant to Subsections (2)(b) and (c) may:

(a) bill the charge imposed by this section in combination with the charge levied under Section 69-2-5 as one line item charge; and

(b) retain an amount not to exceed 1.5% of the charges collected under this section as

reimbursement for the cost of billing, collecting, and remitting the levy.

(4) The State Tax Commission shall collect, enforce, and administer the charges imposed under Subsection (1) using the same procedures used in the administration, collection, and enforcement of the emergency services telecommunications charge to fund the Poison Control Center under Section 69-2-5.5.

(5) This section sunsets in accordance with Section 63I-1-269.

**69-2-6. Jurisdiction and employee immunity.**

In implementing a 911 emergency telephone service, the public agency and public safety agencies and their employees shall cooperate in establishing the service and in its day-to-day provision. Any employee of any public safety agency which is a participant in a 911 emergency telephone service may respond and take any action to any call whether within or without the authorized territorial jurisdiction of the public safety agency. In response to emergency calls, employees of public safety agencies shall have the same immunity for any acts performed in the line of duty outside their authorized jurisdictions as they enjoy within their authorized jurisdictions. No cause of action is created by any incorrect dispatch or response by any system or any public safety agency or by reason of elapsed response time.

**69-2-7. Limitation of liabilities.**

Except as provided in Section 69-2-8, nothing contained in this chapter imposes any duties or liabilities beyond those otherwise specified by law upon any provider of local exchange service, radio communications service, or terminal equipment needed to implement 911 emergency telephone service.

**69-2-8. Liabilities of providers.**

(1) A provider of local exchange service or radio communications service may by tariff or agreement with a customer provide for the customer's release of any claim, suit, or demand against the provider based upon a disclosure or a nondisclosure of an unlisted or nonpublished telephone number and address, and the related address, if a call for any 911 emergency telephone service is made from the customer's telephone.

(2) A provider of local exchange service, radio communications service, or telephone terminal equipment needed to implement or enhance 911 emergency telephone service, and their employees and agents, are not liable for any damages in a civil action for injuries, death, or loss to person or property incurred as a result of any act or omission of the provider, employee, or agent, in connection with developing, adopting, implementing, maintaining, enhancing, or operating a 911 emergency telephone service, except for damages or injury intentionally caused by or resulting from gross negligence of the provider or person.

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## **Appendix A, part 2**

### ***Utah Code 53-10-601 to 606***

#### **53-10-601. Utah 911 Committee.**

(1) There is created within the division, the Utah 911 Committee consisting of the following 18 members:

(a) a representative from each of the following primary emergency public safety answering points:

(i) Salt Lake County;

(ii) Davis County;

(iii) Utah County;

(iv) Weber County; and

(v) Washington County;

(b) six members representing the following primary emergency public safety answering points:

(i) Bear River Association;

(ii) Uintah Basin Association;

(iii) South East Association;

(iv) Six County Association;

(v) Five County Association; and

(vi) Mountainlands Association, not including Utah County;

(c) the following people with knowledge of technology and equipment that might be needed for an emergency public safety answering system:

(i) a representative from a local exchange carrier;

(ii) a representative from a rural incumbent local exchange carrier; and

(iii) two representatives from radio communications services as defined in Section 69-2-2;

(d) two representatives from the Department of Public Safety, one of whom represents urban Utah and the other rural Utah; and

(e) a representative from the Department of Technology Services, created in Title 63F, Chapter 1.

(2) (a) Each committee member shall be appointed as follows:

(i) a member described in Subsection (1)(a) shall be appointed by the governor from a nominee or nominees submitted to the governor by the council of government for that member's county;

(ii) the six members described in Subsection (1)(b) shall be appointed by the governor from a nominee or nominees submitted to the governor by the associations described in Subsection (1)(b) as follows:

(A) the six associations shall select by lot, the first four associations to begin the rotation of membership as required by Subsection (2)(b)(i); and

(B) as each association is represented on the commission in accordance with Subsection (2)(b)(i), that association shall select the person to represent it on the commission;

(iii) the members described in Subsection (1)(c) shall be appointed by the governor with the consent of the Senate; and

(iv) the members described in Subsections (1)(d) and (e) shall be appointed by the governor.

(b) The term of office of each member is four years, except as provided in Subsections (2)(b)(ii) through (iv).

(i) The representatives from Subsection (1)(b) must rotate to provide each geographic location at least one representative every four years, except as provided for the initial appointment under Subsection (2)(b)(ii).

(ii) The associations listed in Subsection (1)(b) shall select by lot, two of its members to an initial two-

year term.

(iii) The governor shall appoint two representatives from Subsection (1)(c) to initial two-year terms.

(iv) The public service answering points listed in Subsection (1)(a) shall, by lot, select two members to serve an initial two-year term.

(c) No member of the committee may serve more than two consecutive four-year terms.

(d) Each mid-term vacancy shall be filled for the unexpired term in the same manner as an appointment under Subsection (2)(a).

(3) (a) Committee members shall elect a chair from their number and establish rules for the organization and operation of the committee, with the chair rotating among representatives from Subsections (1)(a), (b), and (d) every year.

(b) Staff services to the committee:

(i) shall be provided by the division; and

(ii) may be provided by local entities through the Utah Association of Counties and the Utah League of Cities and Towns.

(c) Funding for staff services shall be provided with funds approved by the committee from those identified under Section 53-10-605.

(4) (a) No member may receive compensation or benefits for the member's service on the committee.

(b) A member is not required to give bond for the performance of official duties.

#### **53-10-602. Committee's duties and powers.**

(1) The committee shall:

(a) review and make recommendations to the division, the Bureau of Communications, public safety answering points, and the Legislature on:

(i) technical, administrative, fiscal, and operational issues for the implementation of a unified statewide wireless and land-based E-911 emergency system;

(ii) specific technology and standards for the implementation of a unified statewide wireless and land-based E-911 emergency system;

(iii) emerging technological upgrades;

(iv) expenditures by local public service answering points to assure implementation of a unified statewide wireless and land-based E-911 emergency system and standards of operation; and

(v) mapping systems and technology necessary to implement the unified statewide wireless and land-based E-911 emergency system;

(b) administer the fund as provided in this part;

(c) assist as many local entities as possible, at their request, to implement the recommendations of the committee; and

(d) fulfill all other duties imposed on the committee by the Legislature by this part.

(2) The committee may sell, lease, or otherwise dispose of equipment or personal property belonging to the committee, the proceeds from which shall return to the fund.

(3) (a) The committee shall review information regarding:

(i) in aggregate, the number of telecommunication service subscribers by telecommunication service type in a political subdivision;

(ii) 911 call delivery network costs;

(iii) public safety answering point costs; and

(iv) system engineering information.

(b) In accordance with Subsection (3)(a) the committee may request:

(i) information as described in Subsection (3)(a)(i) from the Utah State Tax Commission; and

(ii) information from public safety answering points connected to the 911 call delivery system.



(c) The information requested by and provided to the committee under Subsection (3) is a protected record in accordance with Section 63G-2-305.

(4) The committee shall issue the reimbursement allowed under Subsection 53-10-605(1)(b) provided that:

(a) the reimbursement is based on aggregated cost studies submitted to the committee by the wireless carriers seeking reimbursement; and

(b) the reimbursement to any one carrier does not exceed 125% of the wireless carrier's contribution to the fund.

(5) The committee shall adopt rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to administer the fund created in Section 53-10-603 including rules that establish the criteria, standards, technology, and equipment that a local entity or state agency must adopt in order to qualify for grants from the fund.

(6) This section does not expand the authority of the Utah State Tax Commission to request additional information from a telecommunication service provider.

**53-10-603. Creation of Statewide Unified E-911 Emergency Service Fund.**

(1) There is created a restricted account in the General Fund entitled the "Statewide Unified E-911 Emergency Service Fund," or "fund" consisting of:

(a) proceeds from the fee imposed in Section 69-2-5.6;

(b) money appropriated or otherwise made available by the Legislature; and

(c) contributions of money, property, or equipment from federal agencies, political subdivisions of the state, persons, or corporations.

(2) The monies in this fund shall be used exclusively for the following statewide public purposes:

(a) enhancing public safety as provided in this chapter;

(b) providing a statewide, unified, wireless E-911 service available to public service answering points; and

(c) providing reimbursement to providers for certain costs associated with Phase II wireless E-911 service.

**53-10-604. Committee expenses -- Tax Commission expenses -- Division of Finance responsibilities.**

(1) Committee expenses and the costs of administering grants from the fund, as provided in Subsection (3), shall be paid from the fund.

(2) (a) The expenses and costs of the State Tax Commission to administer and enforce the collection of the telephone levy imposed by Section 69-2-5.6 shall be paid from the fund.

(b) (i) The State Tax Commission may charge the fund the administrative costs incurred in discharging the responsibilities imposed by Section 69-2-5.6.

(ii) The charges in Subsection (2)(b)(i) may not exceed an amount equal to 1.5% of the charges imposed under Section 69-2-5.6.

(3) (a) The Division of Finance shall be responsible for the care, custody, safekeeping, collection, and accounting for grants issued by the committee under the provisions of Section 53-10-605.

(b) The Division of Finance may charge the fund the administrative costs incurred in discharging the responsibilities imposed by Subsection (3)(a).

**53-10-605. Use of money in fund -- Criteria -- Administration.**

(1) Subject to an annual legislative appropriation from the fund to:

(a) the committee, the committee shall:

(i) authorize the use of the money in the fund, by grant to a local entity or state agency in accordance with this Subsection (1) and Subsection (2);

(ii) grant to state agencies and local entities an amount not to exceed the per month fee levied on telecommunications service under Section 69-2-5.6 for installation, implementation, and maintenance of unified, statewide 911 emergency services and technology; and

(iii) in addition to any money under Subsection (1)(a)(ii), grant to counties of the third through sixth class the amount dedicated for rural assistance, which is at least 3 cents per month levied on telecommunications service under Section 69-2-5.6 to:

(A) enhance the 911 emergency services with a focus on areas or counties that do not have E-911 services; and

(B) where needed, assist the counties, in cooperation with private industry, with the creation or integration of wireless systems and location technology in rural areas of the state;

(b) the committee, the committee shall:

(i) include reimbursement to a provider of radio communications service, as defined in Section 69-2-2, for costs as provided in Subsection (1)(b)(ii); and

(ii) an agreement to reimburse costs to a provider of radio communications services must be a written agreement among the committee, the local public safety answering point and the carrier; and

(c) the state's Automated Geographic Reference Center in the Division of Integrated Technology of the Department of Technology Services, an amount equal to 1 cent per month levied on telecommunications service under Section 69-2-5.6 shall be used to enhance and upgrade statewide digital mapping standards.

(2) (a) Beginning July 1, 2007, the committee may not grant the money in the fund to a local entity unless the local entity is in compliance with Phase I, wireless E-911 service.

(b) Beginning July 1, 2009, the committee may not grant money in the fund to a local entity unless the local entity is in compliance with Phase II, wireless E-911 service.

(3) A local entity must deposit any money it receives from the committee into a special emergency telecommunications service fund in accordance with Subsection 69-2-5(4).

(4) For purposes of this part, "local entity" means a county, city, town, local district, special service district, or interlocal entity created under Title 11, Chapter 13, Interlocal Cooperation Act.

#### **53-10-606. Committee to report annually.**

(1) The committee shall submit an annual report to the Executive Appropriations Committee of the Legislature which shall include:

(a) the total aggregate surcharge collected by local entities and the state in the last fiscal year under Sections 69-2-5 and 69-2-5.6;

(b) the amount of each disbursement from the fund;

(c) the recipient of each disbursement and describing the project for which money was disbursed;

(d) the conditions, if any, placed by the committee on disbursements from the fund;

(e) the planned expenditures from the fund for the next fiscal year;

(f) the amount of any unexpended funds carried forward;

(g) a cost study to guide the Legislature towards necessary adjustments of both the Statewide Unified E-911 Emergency Service Fund and the monthly emergency services telephone charge imposed under Section 69-2-5; and

(h) a progress report of local government implementation of wireless and land-based E-911 services including:

(i) a fund balance or balance sheet from each agency maintaining its own emergency telephone service fund;

(ii) a report from each public safety answering point of annual call activity separating wireless and land-based 911 call volumes; and

(iii) other relevant justification for ongoing support from the Statewide Unified E-911 Emergency

Service Fund.

(2) (a) The committee may request information from a local entity as necessary to prepare the report required by this section.

(b) A local entity imposing a levy under Section 69-2-5 or receiving a grant under Section 53-10-605 shall provide the information requested pursuant to Subsection (2)(a).

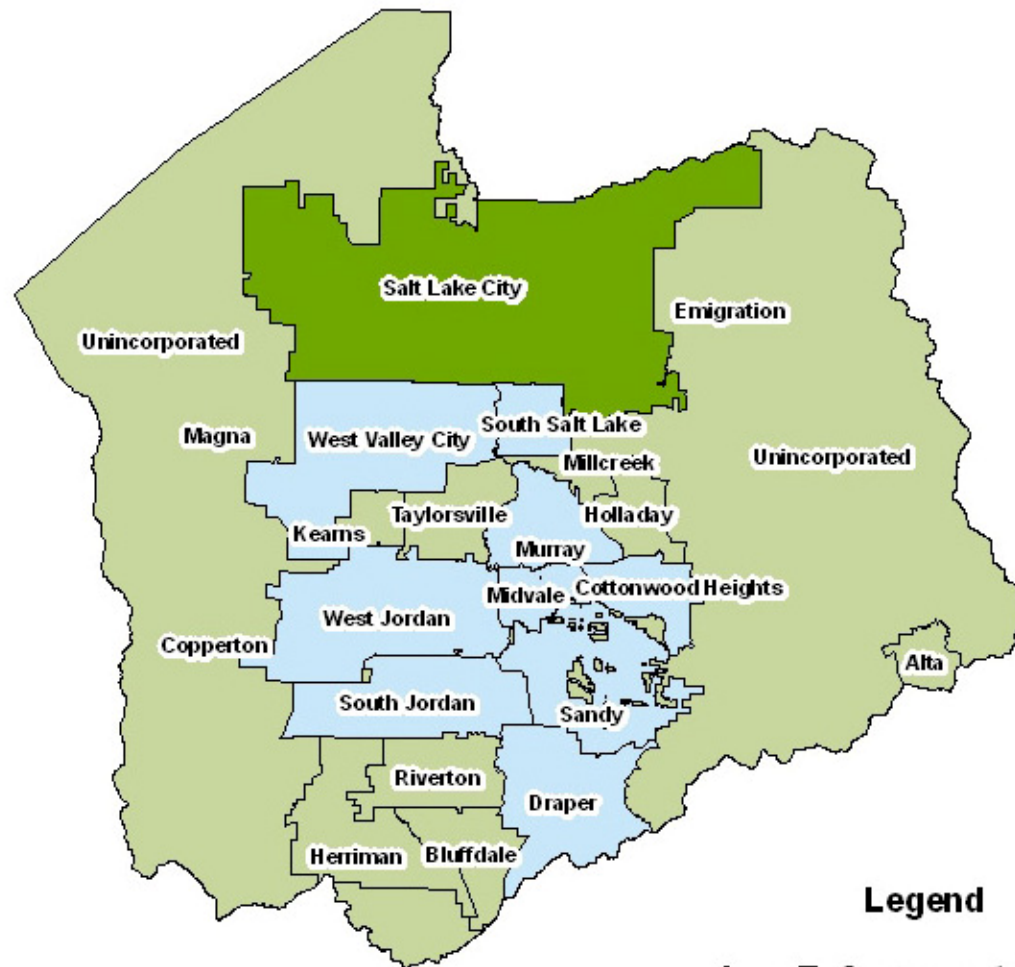
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**Appendix B**

**Law Enforcement Dispatch  
and  
Fire Service Provider  
Maps for Salt Lake County**

## Appendix B, Part I

### Law Enforcement Dispatch Map of Salt Lake County



#### Legend

#### Law Enforcement Dispatch

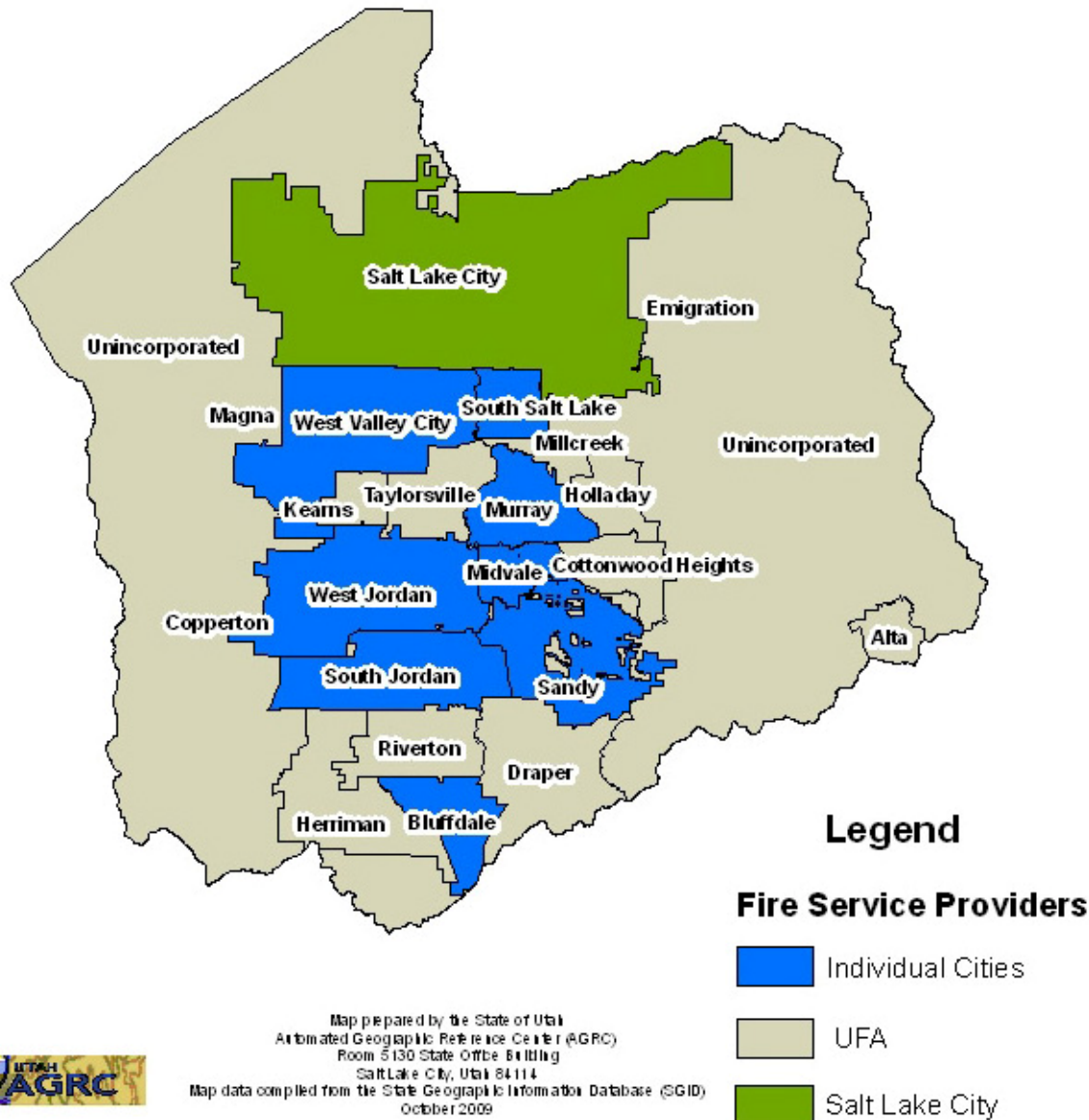
	Salt Lake City
	VECC
	Sheriff



Map prepared by the State of Utah  
 Automated Geographic Reference Center (AGRC)  
 Room 5130 State Office Building  
 Salt Lake City, Utah 84114  
 Map data compiled from the State Geographic Information Database (SGID)  
 October 2009

## Appendix B, Part 2

### Fire Service Provider Map of Salt Lake County



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## **Agency Responses**

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VALLEY EMERGENCY COMMUNICATIONS CENTER

Bluffdale City  
Fire Department

Cottonwood Heights City  
Police Department

Draper City  
Police Department

Midvale City  
Police Department

Midvale City  
Fire Department

Murray City  
Police Department

Murray City  
Fire Department

Salt Lake County  
Unified Fire Authority

Sandy City  
Police Department

Sandy City  
Fire Department

South Jordan City  
Police Department

South Jordan City  
Fire Department

South Salt Lake City  
Police Department

South Salt Lake City  
Fire Department

West Jordan City  
Police Department

West Jordan City  
Fire Department

West Valley City  
Police Department

West Valley City  
Fire Department

Alta, Town of  
Herriman City  
Holladay City  
Riverton City  
Salt Lake County  
Taylorsville City

November 3, 2009

John M. Schaff, CIA  
Legislative Auditor General  
W315 Utah State Capitol Complex  
PO Box 145315  
Salt Lake City, Utah 84114-5315

Dear Mr. Schaff:

Thank you for the opportunity to review the draft report "A Performance Audit of the 9-1-1 System in Salt Lake County." The Salt Lake Valley Emergency Communications Center (VECC) appreciates the time and effort of the audit team to understand the complexity of emergency call taking and dispatch processes and the allocation of funds to support these services. VECC made every effort to make certain the auditors were provided with detailed, timely, and accurate information during the course of the audit. We appreciate the professionalism of the audit team, Rick Coleman, Wayne Kidd, and August Lehman, and their willingness to discuss current processes, as well as those in effect during the audited period.

In general, we are pleased by the findings of the audit which indicates both the complexity of providing emergency call-taking and public safety dispatch services and the challenges of related funding sources and expenses. Chapter II describes the use of 911 surcharge funds and the potential role of the Utah 911 Committee to implement statewide planning for the 911 system. We agree with the recommendations to the Legislature to clarify the use of the local 911 surcharge and to strengthen the role of the Utah 911 Committee to implement statewide planning for 911 system efficiencies.

Current statutes provide a very narrow definition of allowable uses for 911 surcharge revenue. The 911 system is only one of several means for the public to request emergency services. The advantage of the 911 system is that it provides Automatic Number Identification and Automatic Location Information of the calling party. Unfortunately, due to technology limitations, not all emergency reporting can make use of the 911 system. Fire and security alarm companies use 10-digit telephone numbers to send their emergency information to public safety answering points (PSAPs). Audio and video relay services for the hearing impaired cannot use the 911 system; therefore those emergencies are reported using 10-digit telephone numbers. Further, many calls received by VECC over non-emergency lines are actually requests for assistance requiring an emergency response.

Many consider the emergency response system to include the entire communications process from placement of a call to report the emergency to the process in getting emergency responders to the scene. The current definition of the 911 system excludes funding for dispatching operations that



provide the emergency response. As technology advances, the differentiation between the emergency call and the emergency response becomes less and less clear, i.e., common computer applications control both the reporting and dispatch functions; common equipment is used to record the incoming telephone call and the radio traffic of the emergency responder. In the near future, electronic data from the calling party will be transmitted directly to the first responder. 911 emergency call funds should be used for emergency communications systems from the calling party to the responder.

Chapter III offers suggestions to address 911 system effectiveness in Salt Lake County. We agree with the recommendation to determine an approach to eliminate duplication in the call-taking process. We believe careful consideration of the impact of creating a second primary PSAP on the coordination of fire/emergency medical dispatching throughout the contiguous areas of the County is required. The CAD to CAD bridge (CAD2CAD) described in this chapter has greatly improved the transfer of information between VECC and the Sheriff's Communications Division. It has provided accountability of the transfer of emergency incident information and, to a certain extent, has reduced the need for telephonic communication between the centers. At the time this audit was being conducted, the CAD2CAD system was still in development. Currently, the system is operating very well, with more than 330,000 transactions having been processed over the system.

The CAD2CAD has the potential to further increase the efficiency of emergency call delivery and response in Salt Lake County by reducing the redundant interviewing of the calling party. During requests for emergency service for agencies that VECC dispatches, the call-taker interviews the caller and sends a "dispatchable" electronic CAD record to the law enforcement or fire/emergency medical dispatcher. The CAD record has sufficient information (updated as required) for the dispatcher to send the appropriate resources. The same service could be provided to the Sheriff's Communications Division. VECC call-takers receive the call, interview the caller, and send a "dispatchable" CAD record to the Sheriff's Communications Division. The Sheriff's dispatchers would have sufficient information to dispatch the appropriate resources. Not only would this speed up call processing and response times, but it could reduce costs at the Sheriff's Communications Division by the reduction of some call-taking positions.

While CAD2CAD has greatly improved the transfer of information between the centers, the expectation that the system will overcome issues surrounding the addition of another primary PSAP in the County is overstated. The CAD2CAD system shares incident information but cannot identify or coordinate resource responses between the two systems. The primary concern with the establishment of another primary PSAP in the County is the bifurcation of mutually supporting fire/emergency medical resources between two separate dispatch systems. As described in Chapter III, a condition for the establishment of another primary PSAP in Salt Lake County was that UFA would move to the Sheriff's PSAP and leave VECC. VECC's CAD system contains the records for all of the dispatch resources used by its member agencies. Response plans have been developed utilizing all of the available resources. Considering the boundaries between incorporated areas and between corporate and unincorporated areas in the County, it is usual and expected that major fire and emergency medical incidents will automatically require resources from several jurisdictions based upon the programmed response plans and the location of the closest responding unit. Separating the resources will disable automatic mutual aid responses and will necessitate manual intervention between the centers to find available resources.

While VECC agrees with Recommendations 1 and 2 in Chapter III, we disagree with the statement on page 21 that the Utah 911 Committee could study the option of the Sheriff's Communications Division becoming a primary PSAP. The Utah 911 Committee should have a role in proving information related to emergency call delivery, however, the decisions on how law enforcement, fire, and emergency medical dispatch services are to be provided should be left to the local authorities.

Chapter IV offers recommendations on the allocation of both pay-related benefit costs and health insurance costs and describes various methodologies to determine the allocation of indirect costs associated with the call-taking and dispatching cost centers. We agree with those recommendations and, in fact, have already changed the manner in which indirect costs are allocated for the current fiscal year budget.



VECC has a very well developed *Microsoft Dynamics Great Plains* accounting system. However, one of its limitations is the inability to track the benefits of personnel assigned to one division, while performing work in another, i.e. when an employee is assigned as a police dispatcher, but performs duties as a call-taker. In this case, the accounting system moves the salary associated with the duties as a call-taker to the call-taking division, but fails to automatically move the benefit costs from the police division to the call-taking division. In response to Chapter IV, Recommendation 1, VECC recognizes this deficiency and has developed a process to identify and manually adjust accounts so that both pay-related benefit costs and health insurance costs are allocated according to actual staffing for each division. This process will be implemented during the current fiscal year.

The allocation of indirect costs associated with a particular activity can be approached from many aspects. The use of physical space to determine indirect costs may have been appropriate at the time that method was implemented, but space utilization changes over time. Training room usage changes, equipment footprints in equipment rooms change, and console position usage may change, all without a correlation to the amount or cost of the work performed. Using staff hours worked does not adequately describe the potential workload of call-taking and dispatch operations. Fire/EMS and law enforcement dispatch positions generally have a fixed manning schedule, while call-taking positions are staffed to respond to call volumes which are often sporadic and inconsistent. Staffing shortfalls are adjusted in favor of the firm dispatch position requirements at the expense of the anticipated call-taking requirements.

In response to Chapter IV, Recommendation 2, while preparing for the current fiscal year's budget (before the audit began), the decision was made to reallocate indirect costs based on workload as evidenced by the staffing requirements associated with the workload of each work center. A staffing analysis conducted in July 2008 identified staffing requirements for all three work centers. 55 employees are required to staff the call-taking positions; 46 employees are required to staff law enforcement dispatch positions; and 17 employees are needed to staff the fire/emergency medical dispatch positions. The ratio of the number of employees required for the workload of each function became the basis for the allocation of indirect costs for the current fiscal year. The allocation became 47% for call-taking, 39% for law enforcement dispatching, and 14% for fire/emergency medical dispatching. A staffing analysis will be conducted in preparation for each new fiscal year budget.

As the result of the changes in the allocation of the indirect costs and the re-allocation of pay-related and health insurance costs as noted in Recommendations 1 and 2 above, dispatch fees will be realigned to cover the full costs of dispatch services (Chapter IV, Recommendation 3).

Chapter V offers recommendations for the Sheriff's Office review of call-taking and dispatch operational procedures and associated costs. It is rather disappointing that detailed cost information is not available and that the auditors had to resort to using VECC provided call data to analyze the Sheriff's Communications Division operations. The lack of information makes it difficult to discern the efficiency of that operation.

Sincerely,



William E. Harry, ENP  
Executive Director  
VECC



Mayor Russ Wall  
Chairman, Board of Trustees  
VECC



Chief Gil Rodriguez  
Chairman, Operations Board  
VECC

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PETER M. CORROON  
Salt Lake County Mayor

2001 South State Street  
Suite N-2100  
Salt Lake City, UT 84190-1020

801 / 468-2500  
801 / 468-3535 fax

November 3, 2009

Mr. John M. Schaff, CIA  
Utah State Auditor General  
W315 Utah State Capitol Complex  
Salt Lake City, Utah 84114

Dear Mr. Schaff,

Thank you for the opportunity to respond on behalf of Salt Lake County to the Performance Audit (Report No. 2009-16) of the 9-1-1 system.

First, we want to extend our appreciation for the extensive effort that your team has made in tackling the review of this complex issue. We were impressed with the diligence and professionalism that marked their work over the last several months.

When everything is said and done, we believe that it will be the citizens of Salt Lake County that will benefit from the emergency call procedural improvements that are likely to result as a consequence of this audit. Our response to the audit findings and recommendations are as follows:

## CHAPTER II

Legislature Should Consider Addressing  
Use of 911 Funds and Consolidation

Audit Recommendations:

1. We recommend the legislature consider clarifying acceptable use of the local 911 surcharge, including:
  - **Whether it may be used to fund call taking costs for non-emergency calls as well as 911 calls:**

### ***County Response:***

*Salt Lake County believes that the 911 surcharge fund should continue to be used to help support all call taking functions. Because the Sheriff's Communication Division also receives numerous emergency calls for service over the non-emergency*



*lines it is important to allow funding for the maintenance and operation of these lines to continue. By not allowing PSAP's access to these funds there may be a negative impact on the emergency services provided to the citizens of the county.*

- **Whether it may be used to fund a secondary PSAP:**

**County Response:**

*Salt Lake County believes that statute currently allows the Sheriff's PSAP which is capable of, and in fact does, receive emergency calls for service to receive 911 funding. The Sheriff's Communication Division is fully capable of directly receiving 911 calls. It has been awarded grants in the past from the 911 committee to enhance technology and equipment because of this capability and ongoing functionality. The Legislature should review the designation of primary and secondary PSAP's, and include as a primary PSAP those emergency call taking centers that have the capability to handle the intended emergency calls. To not allow PSAP's such as ours to continue to be funded by surcharge funds could cause a decrease in public safety response capability contrary to the intent of the 911 surcharge fund.*

- **Whether it should be used to fund dispatch costs:**

**County Response:**

*Salt Lake County believes dispatch costs should be funded by charging the full cost of this service to each local government that VECC provides this service for. This approach assures funding equity among all stakeholders and avoids the problem of subsidized service delivery by one group of citizens for the benefit of another group. Currently, only part of the costs of dispatch services provided by VECC is billed to local governments.*

### CHAPTER III

#### Organizational Concerns Hamper 911 System Effectiveness

##### Audit Recommendations:

1. We recommend that VECC and Salt Lake County Sheriff's office determine an approach to eliminate duplication in the call taking process.



**County Response:**

*Salt Lake County agrees with this recommendation and will work with VECC to find a solution that is beneficial to the citizens of the county.*

2. We recommend that the Salt Lake County Officials resolve concerns with the coordination of fire/medical dispatching and law enforcement dispatching before going forward with plans to establish a new primary PSAP.

**County Response:**

*Salt Lake County agrees with this recommendation.*

**Additional Discussion on Consolidation of PSAP's**

*Salt Lake County agrees that an independent study needs to be conducted to determine the appropriate number of PSAP's necessary to serve the emergency needs of county. Possibly, an entity such as the Statewide Interoperability Executive Committee could effectively perform such a study. The perspective of cost savings is just one consideration in this very important issue. The ability to communicate in the event of a disaster is critical to the successful management of the event. If a county has only one PSAP and it is rendered inoperable in a disaster, critical communication ceases. Additionally, if one PSAP is overloaded with incoming emergency calls, having the ability to transfer the overloaded calls to another functioning PSAP is invaluable to the citizens in need of services. Having back up PSAP's that can handle all emergency traffic is vital to ensure continued operability. The appropriate number of PSAP's should be determined based on what is needed to maintain communications in an emergency, or call overload situation.*

*On page 23 the report states "the main reason that the bridge was created is to allow the Sheriff's dispatch to become a primary PSAP." The primary reason was to reduce delay in the transmission of critical information between PSAP's.*

**CHAPTER IV**

911 Fees Have Subsidized  
VECC's Dispatch Costs

**County Response:**

*Salt Lake County concurs with the findings and recommendations in this chapter. The Legislative Auditor's report confirmed our concern that VECC dispatch services are being partially subsidized by 911 revenues. Implementation of the auditor's recommendations should foster funding equity among stakeholders.*

## CHAPTER V

### County Surcharge Revenue Does Not Cover Call Taking Costs

#### Audit Recommendations:

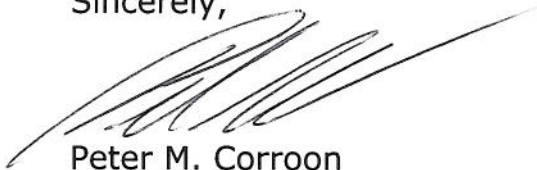
1. We recommend that Sheriff's Fiscal Office review call taking and dispatching expenditures by:
  - a. Reviewing the assignment of indirect costs.
  - b. Reviewing and applying an appropriate methodology to determine call taking expenses.
  - c. Ensuring surcharge revenues are applied appropriately to the designated areas where the surcharge revenue is collected.

#### ***County Response:***

*Salt Lake County agrees with this recommendation and has already begun to conduct the reviews.*

Again, on behalf of Salt Lake County, we appreciate the opportunity to respond to this 2009 legislative audit and stand ready to provide any additional assistance and input that may be requested. Thank you for your great work.

Sincerely,



Peter M. Corroon  
Salt lake County Mayor