



TONI PRECKWINKLE

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**Cook County Board
of Commissioners**

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15th District

FRANK J. AGUILAR

16th District

SEAN M. MORRISON

17th District

Office of the County Auditor

Mary Modelski

69 West Washington, Suite 840 • Chicago, Illinois 60602 • (312) 603-1500

September 23, 2021

The Honorable Toni Preckwinkle, President
and Board of Cook County Commissioners
118 N. Clark Street, Room 537
Chicago, Illinois 60602

Dear President Preckwinkle and Board of Commissioners:

In accordance with the County Auditor Ordinance 11-O-93 Sec. 2-311.9, at the beginning of each fiscal year, the Auditor shall submit an Audit Schedule to the County Board for a referral to the Audit Committee for review and comment.

The following Audit Schedule (Plan) is prepared to provide a core guide for audits to be initiated during the fiscal year. Depending on workload and the other factors mentioned in the Audit Plan, some of these audits may not be initiated during the year, and other audits may be conducted that are not in this plan based upon resource availability and special requests for assistance.

Based on our current staffing level of three (3) Field Auditors, we have determined that we have approximately 516 audit days available. Based on the number of audit days available, our goal is to select specific programs awarded from the American Rescue Plan Act (ARPA) funds to ensure compliance with the provisions of the Act, the Annual Commissary Audit, and a review of the Procurement processes. We are aggressively recruiting to fill our budgeted positions and as additional staff are on-boarded, we shall expand the number of ARPA programs selected, in addition to expanding into specific contracts and TIF return on investments. We will also continue our assistance to the Comptroller's office in the preparation of the November 30, 2021, Comprehensive Annual Financial Report (CAFR) and the review of the External State's Attorney Invoices. The Audit Plan also provides for management consulting requests, special audits, and assistance with special projects as the need is determined throughout the fiscal year.

We welcome the review of our Audit Plan for Fiscal Year 2022 and look forward to any comments or suggestions.

Respectfully Submitted,

Mary Modelski
County Auditor



COOK COUNTY
GOVERNMENT AND FOREST PRESERVES

OFFICE OF THE COUNTY AUDITOR

FISCAL YEAR 2022 AUDIT PLAN

SECTION I: INTRODUCTION

Authority

The Office of the County Auditor operates in accordance with the County Ordinance, Division 6 - Auditor, which grants the Office of the County Auditor the authority to conduct financial, management and performance audits of all Cook County departments, offices, boards, activities, agencies and programs and in any government entity that is funded in whole or in part by the County pursuant to the County's annual appropriation bill.

Mission

The mission of the Office of the County Auditor is to provide independent and objective assurance and consulting services designed to add value and improve the County's operations while promoting transparency and accountability in government. The Office of the County Auditor assists the County in accomplishing its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of countywide risk management, control, and governance processes.

Role

An Internal Audit department plays a significant role in the development and sustainability of a strong internal control system. The Internal Audit activity provides assurance to management and the Audit Committee that risks to the organization are understood and managed appropriately. The following are the major roles and responsibilities of the Internal Audit function.

- ❖ Assess risk Countywide to identify the audit universe and apply audit resources most effectively and efficiently.
- ❖ Conduct value-added audits in a professional manner with high integrity.
- ❖ Evaluate and provide reasonable assurance that risk management, control, and governance systems are functioning as intended and will enable the organization's objectives and goals to be met.
- ❖ Report non-compliance issues and internal control deficiencies directly to the President, Board of Commissioners, and Audit Committee and provide recommendations for improving the organization's operations, in terms of both efficiencies and effectiveness.
- ❖ Assess the information technology environment and associated risk exposures.
- ❖ Maintain open communication with the Board, Cook County leadership, and Audit Committee.
- ❖ Team with other internal and external resources to assess implementation and overall project controls, as appropriate.
- ❖ Adhere to auditing standards.
- ❖ Comply with continuous education and staff development requirements.

Standards

The Office of the County Auditor adheres to the following standards in conducting audits:

- ❖ Generally Accepted Government Auditing Standards (The Yellow Book)
- ❖ The Institute of Internal Audit, International Standards for the Professional Practice of Internal Auditing
- ❖ ISACA IS Auditing Standards and Guidelines

SECTION II: APPROACH

The Institute of Internal Audit, International Standards for the Professional Practice of Internal Auditing version 2017, Standard 2010 - Planning requires *the chief audit executive must establish a risk-based plan to determine the priorities of the internal audit activity, consistent with the organization's goals.*

As part of the development of the Fiscal Year 2022 Audit Plan, the Office of the County Auditor utilized the Countywide Risk Assessment Program. The Countywide Risk Assessment provides a basis for the preparation of the Annual Audit Plan while enhancing the objectivity and transparency of the audit process. Key factors across the various offices and departments are evaluated to assess risk and allocate audit resources. A risk assessment is essential to ensuring that audit resources are applied most effectively and efficiently.

For Fiscal Year 2022, the audit universe consisted of a high-level survey of departments, Bureaus, Office of Elected Officials, along with interviews with the President, select Elected Officials and Commissioners and the Forest Preserve District. The following are the risk factors that were applied:

- ❖ Public Exposure
- ❖ Compliance with Regulations
- ❖ Employee Turnover
- ❖ Audit Coverage
- ❖ Financial Impact (Appropriation, Revenue, Expenses, Contracts, Grants)
- ❖ Automation
- ❖ Sensitivity and Confidentiality

SECTION III: AUDIT PLAN IMPLEMENTATION

The Audit Plan is a fluid document. The Audit Plan consists of higher risk and mandated, by statute or ordinance, areas identified for audit. Based upon current resources, the Office of the County Auditor will focus on these audit areas to ensure the best coverage. The Audit Plan and/or the nature and timing of the audits may vary based on the following:

- ❖ Requests by management.
- ❖ Changes in laws, statutes, regulations, and other mandates.
- ❖ Major changes in operations, programs, systems, and/or controls.
- ❖ Availability of key personnel.
- ❖ Potential loss and risk exposure.
- ❖ Changes in audit resources.

SECTION IV: AUDIT RESOURCES

FACTOR	HOURS	HOURS DEDICATED
Number of work hours per year/person	2080	
Required continuing professional education (CPE)		80
Vacation		80
Sick		40
Administrative tasks (based upon 15%)		312
Holidays (14)		112
County mandated training		80
Total	2080	704
Available hours to audit per Field Auditor	1376	
Number of hours to audit for three (3) Field Auditors	4128	
Number of days to audit for three (3) Field Auditors	516	

SECTION V: AUDIT SCHEDULE

TITLE	AREA	HOURS/DAYS
ARPA Fund usage (specific programs to be selected once funds are awarded)	Finance – Economic Development	2232/279
Commissary Annual Report	Corrections	120/15
Request for Information/Quotation/Proposal Process Overview	Procurement	400/50
FOREST PRESERVE SPECIFIC AUDITS:		
ARPA Fund usage (specific programs to be selected once funds are awarded)	Forest Preserve	336/42
Request for Information/Quotation/Proposal Process Overview	Forest Preserve	400/50
Contract Award (Bicycle rental)	Forest Preserve	240/30
County Resources used by Employees for Personal Use (e.g., take home vehicles, cabins, rentals, activities, etc.)	Forest Preserve	400/50
OTHER AUDIT SERVICES:		
Annual CAFR Assistance	Countywide	
External Attorney Invoice Review	States Attorney	
GASB 84 Implementation	Finance	