



TONI PRECKWINKLE

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**Cook County Board
of Commissioners**

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17th District

November 6, 2018

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:

The Office of County Auditor (OCA) conducts a quarterly follow-up on open recommendations. The OCA will submit a Quarterly Open Recommendations Status Report to the County Board for referral to Audit Committee.

Please refer to the following FY'18 3rd Quarter Open Recommendations Status Report. As indicated in the report, during the 3rd quarter of FY'18 there were no new recommendations issued, 3 recommendations were reported as having been implemented and 8 recommendations remained open. The status of the 8 open recommendations is reflected in the attached report.

We express our appreciation to all departments for providing quarterly updates to the recommendations. We are continually available to assist the departments in their implementation of the recommendations.

Respectfully Submitted,

William J. Carroll
Deputy Auditor

Office of County Auditor

FY'18 3rd Quarter Open Recommendations Status

Cash Reconciliation Project

Item #	Item	Corrective Action Plan (CAP)	Chief Judge	Most Recent Update	ECD
6	Bank reconciliations were not always completed accurately with the proper support for variances.	Management agreed and will implement corrective action.		The Adult Probation Department system installation is still ongoing with an anticipated 'Go-Live' date in September 2018. The original plan was amended by the Cook County Board to incorporate the overhaul of the Juvenile Temporary Detention Center system as well. The Auditor's Office will continue to monitor the system's implementation.	9/30/2018

Circuit Court Revenue Process Audit

Item #	Item	Corrective Action Plan (CAP)	Clerk of the Circuit Court	Most Recent Update	ECD
4	The CCC provided a high level chart indicating over \$30 million outstanding accounts in the Traffic Division, but did not provide the detail to support what this number consists of and the collection activities that have occurred.	The CAP includes the following: analysis on \$30M outstanding to determine feasibility; collection agency detailed reports and internal tracking reports; Wage Garnishment Program plan; internal processes for submitting accounts to the Local Debt Recovery Program and the State's Income Tax Refund Intercept Program along with reports supporting the activity; and Collection Agency Performance Measures for next contract.		The Clerk's Office continues to address the traffic debt by performing the following: mailing out post cards notifying customers who owe traffic debt that a request will be forwarded to the Secretary of State to place a lien on their driver's license until payment is made, continuing to work with collection agencies, including collections through wage garnishments, referring delinquent accounts (aged 2-7 years) to the Illinois Comptroller's Local Debt Recovery Program at the beginning of the year, generating collections through annual Amnesty weeks (twice a year), and a new collection letter and a process to address delinquent payments is being finalized by the Accounting and Legal Services Departments.	10/31/2018

Delinquent Home Rule Tax Process**Revenue**

Item #	Item	Corrective Action Plan (CAP)	Most Recent Update	ECD
1	Tax delinquencies are not being followed up in a timely and efficient manner to ensure the most optimal return to the County of money owed.	Management agrees with the recommendations and has plans to address them within its current process and as part of its future state integrated tax processing system implementation (ITPS).	Notices for the six tax types that were part of our first release of ITPS are being generated on a monthly basis. To date, we have collected over \$2.1MM in additional revenue. In addition, we are currently working to complete design and testing of ITPS for our remaining Home Rules Taxes and anticipate going live in Spring of 2019. Once the additional taxes are brought into ITPS, the Deficiency and Delinquency billing for those tax types will have a one-time “catch-up” process for past periods that are being converted from our Legacy system. Afterwards, they too will be included on the monthly notice routine. Data from our Legacy system is currently being reviewed and cleansed in anticipation of the conversion into ITPS to ensure that we will only be billing legitimate accounts and periods.	5/31/2019
2	The delinquent tax account data is not being accurately and efficiently maintained to ensure the reliability of the delinquent tax accounts and amounts.	Management agrees that there is a need for a more accurate and comprehensive system to manage accounts, and as mentioned before, plans to address these issues as part of its ITPS implementation, with select improvements to its interim process.	Notices for the six tax types that were part of our first release of ITPS are being generated on a monthly basis. To date, we have collected over \$2.1MM in additional revenue. In addition, we are currently working to complete design and testing of ITPS for our remaining Home Rules Taxes and anticipate going live in Spring of 2019. Once the additional taxes are brought into ITPS, the Deficiency and Delinquency billing for those tax types will have a one-time “catch-up” process for past periods that are being converted from our Legacy system. Afterwards, they too will be included on the monthly notice routine. Data from our Legacy system is currently being reviewed and cleansed in anticipation of the conversion into ITPS to ensure that we will only be billing legitimate accounts and periods.	5/31/2019

Law Library Revenue Operations

Item #	Item	Corrective Action Plan (CAP)	Law Library	Most Recent Update	ECD
1	We recommend that the Law Library complete training for all staff on processing transactions into iNovah for the credit card service and conduct a cost benefit analysis on automating the photocopier revenue collection process.	The Law Library will complete training for staff on processing transactions into iNovah for the credit card service and will conduct a cost benefit analysis on automating the photocopier revenue collection process.	The Law Library continues to train staff in processing transactions in iNovah for credit card service. The Law Library is working with the Bureau of Technology and Department of Revenue to identify a solution for automating the photocopier revenue collection process for acceptance of credit card payments.		11/30/2018

WBE MBE Process

Item #	Item	Corrective Action Plan (CAP)	Contract Compliance	Most Recent Update	ECD
9	Encourage online submission would greatly expedite the process and reduce the risk of losing/misplacing documents. The hardcopy submission process is extremely cumbersome. Hardcopy applications need to be date stamped to track submission and prevent documents from being lost or misplaced, whereas online documents are maintained in a central location and easily accessible with electronic tracking of submission.	OCC agrees with the Auditor's recommendation. As stated and outlined in our new internal policies and procedures, OCC will implement a paperless certification application process by 2018.	OCC is no longer printing documents for No Change Affidavits and are no longer mailing certification letters to vendors. All letters are now being sent via email. By the end of December 2017 the OCC will no longer print documents for Recertification's and by the end of the first quarter 2018 the OCC will no longer print documents for New Applications		11/30/2018
10	To manage the compliance with stated goals, OCC is responsible for certifying vendors and ensuring vendors adhere to the County's MBE/WBE Ordinance prior to contract award. With the large amount of contracts awarded with compliance goals, a collaborative approach is needed to ensure vendor's compliance in meeting the County's compliance goals.	OCC agrees with the Auditor's recommendation. OCC has already requested B2GNow to allow our office to set up view access only for departments to see their contracts.	After talking to B2GNow the OCC decided to phase in the view access to user departments. OCC wants to ensure that user departments will 1) actually understand what they are going to see, 2) users can only see their contracts, and 3) OCC wants to get an understanding of the types of questions they may receive from the user departments. As such, the OCC will meet with the first groups to have access to go through their contracts and answer any questions they may have.		11/30/2018

ROD Cash Management Functions**Recorder of Deeds**

Item #	Item	Corrective Action Plan (CAP)	Most Recent Update	ECD
5	The process for accounting for transactions is highly manual. There is no interface between the cashiering system and the accounting system; the daily reconciliation process consists of handwritten forms and calculations; and data is manually entered into the accounting system from spreadsheets prepared from handwritten forms.	CCRD is highly aware of the manual processes implemented in accounting for the tracking and monitoring of our revenue. CCRD is collaborating with BOT regarding the issues identified and potential resolutions.	In Progress with Core Application Project.	5/31/2019

Open Recommendations Status Summary FY18 3rd Quarter

<i>Open recommendations - FY18 2nd Quarter Report</i>	11
<i>New recommendations - FY 18 3rd Quarter</i>	0
<i>Recommendations Implemented during 3rd quarter</i>	(3)
<i>Open recommendations - FY18 3rd Quarter Report</i>	8