Office of the County Auditor

Mary Modelski

Cook County Auditor

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February 17, 2022

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 the County Auditor (OCA) conducts follow-up procedures on open recommendations. Per the County Auditor Ordinance, Section 2.311.14 – Audit Follow-up, "The Auditor shall follow up on audit recommendations as practical to determine if corrective action has been taken. The Auditor may request periodic status reports from audited agencies regarding actions taken to address reported deficiencies and audit recommendations." The OCA will submit the status report on open recommendations to the County Board for referral to the Audit Committee.

In order to complete our report, we contacted the Management of each department that had open recommendations as of December 2021 to request an update as to the current status of each recommendation. Of the 27 open recommendations, 12 were reported as still in progress and 15 were reported as being completed by Management but are included in our report pending the verification of completion by the OCA. Please refer to the attached report for the status of each of the 27 open recommendations as of December 2021.

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

 Respectfully Submitted,

Mary Modelski
Cook County Auditor

$ Fiscal Responsibility 💡 Innovative Leadership ⦿ Transparency & Accountability 📋 Improved Services

Office of County Auditor
Open Recommendations Status - December 2021

Chief Judge-Cash Reconciliation Project

Orig. Rec #	Audit Report Date	Item	Corrective Action Plan	Updated Response by Management	Expected Date of Completion
4	8/22/2014	Bank reconciliations were not always completed accurately with the proper support for variances. Adult Probation Finding 4 - The Prosecutor's Management Information System cannot produce data to reconcile to the cash balances in the Restitution and Fee bank accounts. We recommend that Adult Probation personnel request Prosecutor's Management Information Systems reports from their Information Technology support that will capture the total amount of undisbursed receipts from the Prosecutor's Management Information System. The report balance could then be reconciled to the cash balances in the Restitution and the Fee bank accounts to determine if any differences exist.	Management agreed and will implement corrective action. The Adult Probation Departments' current case management system, Prosecutor's Management Information System, was designed for the court by Cook County in the 1970's. The department's cashier's office continues to struggle with the limitations of the out-of-date system's ability to produce accurate reports and consistently account for the transactions recorded by the office. To affect a sorely needed upgrade to the department's overall case management system, the court issued a Request for Proposal in April 2014 to design and implement a new comprehensive case management information system for probation and pretrial operations. The new system will replace, consolidate, and enhance the department's current systems and applications, including the accounting functions of the cashier's office.	The Office of the Chief Judge is making an aggressive effort to have a live system by Q1 of 2022, which will include the finance module. Due to the complexity of the enhancements requested, the vendor still needs to work on some reported issues with the current testing environment. The vendor and the Office of the Chief Judge are conducting status calls, minimally twice a week, in order to increase efficiency and communication throughout the process. The tentative go-live date is January 31, 2022 barring any unforeseen issues.	Completion of roll out/ implementation - February 2022.

Clerk of the Circuit Court Revenue Process Audit

Orig. Rec #	Audit Report Date	Item	Corrective Action Plan	Updated Response by Management	Expected Date of Completion
4	10/23/2015	The Clerk of the Circuit Court 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 Corrective Action Plan 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; - Collection Agency Performance Measures for next contract.	The Clerk of the Circuit's Accounting Team is still researching all aspects associated with this Open Recommendation. We anticipate more information and documents will be provided in the next quarter.	Account for and reconciling outstanding funds with muni's – 02/28/22. Continue to research collection options and reduce outstanding violations balance by the end of FY22.

Law Library - Revenue Operations

Orig. Rec #	Audit Report Date	Item	Corrective Action Plan	Updated Response by Management	Expected Date of Completion
1	3/7/2017	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.	There is a software problem that is preventing us from accepting credit cards at the front desk. We are waiting on DOR, or the vendor, to provide a timeline for getting the software bug resolved. As of 02/02/22, we would estimate a minimum of 90 days for this item. The credit card machines attached to the copiers went live on 11/1/2021	5/31/2022 Reported as completed 12/06/21 *The OCA is verifying completion.*

Animal Control - Cash Management Process

Orig. Rec #	Audit Report Date	Item	Corrective Action Plan	Updated Response by Management	Expected Date of Completion
4	7/16/2020	The process of recording funds received for tag sales and summer clinics is highly manual and involves redundant processes. The Administrative Assistant I (Deposit Preparer) and Administrative Assistant I (Tag Room Clerk) log checks in two different check logs and there is no current process that calls for the review of such logbooks to help identify errors. In addition, Animal Control cannot currently process credit cards at the clinics or electronically process rabies certificates at the clinic site.	Animal and Rabies Control will eliminate the redundant process of the Administrative Assistant recording deposits in the deposit log. With the implementation of Hyland OnBase Phase II, Animal and Rabies Control will be totally automated. This will eliminate the redundant process for reporting and streamline our processes. Our Department will continue work Bureau of Technology and Department of Revenue to ascertain a solution to collect credit cards in the field at our seasonal clinics and to enter rabies certificates electronically.	"B. Pending-ARC meets with the Project Mgmt team on a weekly basis to get the Hyland Project complete. We are working diligently with BOT and the Hyland Team to make sure the specifications are correct for the project. We anticipate this project to be completed in FY 2022. Update: ARC has partner with Cook County Agencies and Shelters to provide seasonal rabies clinic. The Department's staff no longer participates in the seasonal clinics or collects payments for services.	B. Phase II Hyland Onbase - 11/30/2022
6	7/16/2020	Animal Control's current process to allocate revenue in iNovah Point of Sale, is to simply lump all tag sales revenue under the 1yr tag sales. Under this process, no transactions are posted under 3-year tag sales and therefore no revenue gets allocated to this code.	When the Department of Revenue initiated Animal and Rabies Control to start recording revenue in the iNovah application, we were in implementing phase I of the Hyland OnBase project. The Hyland OnBase system does capture one year and three-year tag sales; however, it does not allocate credits that are posted to one-year and three-year tag sale transactions. With the implementation of phase II of Hyland OnBase, Animal and Rabies Control will have the ability to separate the one and three tag sales in the iNovah application. After Phase II of the Hyland, OnBase project is complete, ARC will have the ability to provide detailed reports identifying 1-year and 3-year tag sales with credits.	Pending-ARC meets with the Project Mgmt team on a weekly basis to get the Hyland Project complete. We are working diligently to get this project to meet the specifications required to allocate 1 yr. and 3 yr. revenue for ARC. We anticipate this project to be completed in FY 2022.	11/30/2022

Veterans Assistance of Cook County

Orig. Rec #	Audit Report Date	Item	Corrective Action Plan (CAP)	Updated Response by Management	Expected Date of Completion
1	7/16/2020	The VACCC does not perform monthly bank reconciliations and does not update the bank balance in their checkbooks on a timely basis. Eight transactions and one fee, totaling $1,479.83, was determined to be fraud. Checks were occasionally given to the veteran to delivery to the payee that appears to have led to a veteran obtaining the bank account information for the fraud. The VACCC also does not have policy and procedures to cover performing monthly bank reconciliations; developing and maintaining a current outstanding check list; and a process for reviewing all miscellaneous items on the bank statement, specifically debit transactions, to ensure they are investigated in a timely manner. The policies and procedures should also include a process to analyze any banking fees charged to determine the reason for the fee. In addition, the policy should be updated to include VACCC checks are to be sent directly to the payee on behalf of the veteran and not to be given to the veteran, as well as, educating staff no checks are to be given directly to the veteran.	By maintaining a written list of outstanding checks, the VACCC reconciles the bank accounts in a timely manner. We keep track of when checks are issued and when checks are cashed. We maintain two reports that identify the key information. The reports identify: a) outstanding checks issued, for example, in a certain month (e.g. April) , but not cashed by the end of that month, b) checks issued in previous months before the immediate preceding quarter, but cashed during the month (e.g. April), and c) checks issued in previous months before earlier quarters, but not cashed during the month (e.g. April). The figures are taken from the bank statements and from the check book. We reviewed last year's (2019) checks and found that two had not been cashed by mid-2020. We stopped payment on one and the original recipient cashed the other check. Our current procedures include a review of all checks so that we can detect whether unauthorized parties cashed checks; none have been reported to us. Veterans never receive a VACCC check; only the intended vendor received the checks. In order to reduce errors, staff members confer with recipient before the checks are mailed to them. We have not had any instances of bank transactions taking place that the VACCC did not originate. We make every effort to comply with the recommendations of the Office of the County	Complete	Reported as completed *The OCA is verifying completion*

2	7/16/2020	Our testing of the VACCC quarterly reports submitted to Cook County during Fiscal Year 2018 and Fiscal Year 2019 found errors had occurred in the reporting process of operating expenditures. Errors noted on the quarterly reports included: amounts not reported, incorrect amount reported, and the same amount reported twice in different categories. The 2nd and third quarter reports also did not report year-to-date expenditures. The VACCC should expand written policies and procedures over the preparation of the quarterly reports. and how to prepare the quarterly reports.	The VAC Fiscal Year 2018 and 2019 had minor errors in the reporting process for Operating Expenditures. Errors noted in the Audit Report were by the previous coordinator, who left the VAC in June 2019. The reporting process was turned over to the current coordinator without procedures. It was a short on-the-job training period with handwritten notes. Several changes have taken place in the second half of 2019 to make the report reflect accurately. Written procedures for daily tracking and reporting have been initiated, starting with Veteran Expenditures, District Breakdown and Gender/Race reports. The Operating procedure is expected to be complete by the end of October 2020. The petty cash funds used to supplement Transportation cards for two months, in the amount of $232.00, should no longer be an issue. Sufficient amount of Transportation Bus Cards are on hand and inventory is tracked daily by the Administrative Assistant. The VAC coordinator and tracker has created written procedures for preparation of quarterly reports. Detail steps with examples are provided on how to prepare daily reports, which are then used to roll up the monthly, quarterly and year end reports. Additionally, a section was added to the second and third quarter reports to reflect year-to-date. The monthly report will be reviewed by the Superintendent for accuracy and distribution.	Awaiting evidence of implementation for VACC	Reported as completed 11/30/2021 *The OCA is verifying completion*
3	7/16/2020	The VACCC does not consistently perform daily counts of the transportation passes, grocery gift certificates or perform a daily reconciliation of the counts on hand to the daily activity log, to ensure there are no discrepancies	The VACCC consistently perform daily counts of the CTA Bus Cards and Aldi Gift Cards. We perform a daily reconciliation of the counts on hand to the daily activity log sheet.	OCA has received management procedures, awaiting evidence of implementation	Reported as completed 11/30/2021 *The OCA is verifying completion*
4	7/16/2020	Our review of veteran files indicated that the overall process improved over the time period reviewed, specifically starting in June 2019. However, prior to that date, several exceptions were noted, Staff provided a checklist of required documentation used, but a copy of the checklist is not kept in the file as assurance that the file was properly reviewed and that all required documentation were present.	A Comment/Checklist Log was updated and added to all New Veterans File Folder's. Any current file folder is upgraded with the new Comment/Checklist for veterans receiving additional assistance. The Coordinator or Assistance Coordinator reviews the folder for required documents and initials the Comment/Checklist Log. In May 2019, a daily Quality check was initiated of veteran file folder for any services received, to ensure all required documents are present and that no double payments are issued. There may be exceptions for some cases which can be approved by the Superintendent. At which case the Comment/Checklist Log is noted.	OCA has received management procedures, awaiting evidence of implementation.	Reported as completed 11/30/2021 *The OCA is verifying completion*

| 5 | 7/16/2020 | Specific written policies and procedures had not been established for the following: 1. Preparation of Quarterly Reports, including: Detailed steps on how to prepare the quarterly reports. Information on where the amounts are pulled from and how they are categorized.   2.   Bank Account Reconciliations, including: Follow-up process on outstanding checks Follow-up process when check amount and amount check cleared differ. Review process of any miscellaneous debits/credits on the bank statement, including potentially fraudulent items Timing and review process of checkbook and bank statement Completion date of monthly bank reconciliations. 3. Petty Cash, including: Types of expenditures and amounts permitted . Approval process, Documentation of expenses, Verification of cash balance Amount of replenishment and threshold amount to replenish petty cash. 4. Payroll Procedures for establishment of salary/wages for VACCC positions.. Procedures for reporting employee payroll hours to ADP (Automatic Data Processing). Review accuracy of checks and payroll information from ADP. 5. Segregation of Duties Procedures for establishing segregation of duties Identifying areas that require segregations of duties. Procedures for establishing which positions will perform the segregated duties. | The Quarterly Report is a combination of Monthly reports. Detail steps are provided for the Daily report, which make up the Quarterly report and Year-End report. The final steps are being written and are expected to be completed by the end of October 2020. The Superintendent requested from the BOA a Line item report that describes what each line item contains in the budget process so that the expenses can be tracked accordingly. For the remaining year, the current process will be used. As the process changes, the procedure will be updated. (2) We review the checkbook and the bank statement in a timely manner. From these documents, we compare the figures and develop a written list of outstanding checks. The list contains dates when checks are issued and when checks are cashed. We identify: a) outstanding checks issued, for example, in a certain month (e.g. May) , but not cashed by the end of that month, b) checks issued in previous months before the immediate preceding quarter, but cashed during the month (e.g. May), and c) checks issued in previous months before earlier quarters, but not cashed during the month (e.g. May). (3) In our Policies and Procedures Manual we added Petty Cash. It includes the types of expenditures and amounts permitted, the approval process, documentation of expense, the verification process and the replenishment guidelines.   (4) Now, (October 2020) the VACCC does not have recognized and established salary guidelines. Therefore, we need to confer with Cook County to develop and utilize fair compensation and benefits for VACCC employees. It has been emphasized by the Illinois courts that VACCC employees are not civil service and are not county employees. The VACCC utilizes ADP Payroll Summary Report which identifies the following: check date, VACCC employee name, hours, total paid, tax withheld, deductions, net pay, check number, employer liability and the total expense. The Employee report identifies the following: relevant employee information, earnings year to date, hours, taxes, and deductions. The financial personnel can review this information to see if there are any discrepancies. | OCA has received management procedures, awaiting evidence of implementation. | Reported as completed 11/30/2021 *The OCA is verifying completion* |

Building and Zoning Inspection and Permit Process

Orig. Rec #	Audit Report Date	Item	Corrective Action Plan	Updated Response by Management	Expected Date of Completion
1	1/15/2021	The Department of Building and Zoning does not have written policies and procedures that should provide quick reference and instructions for employees and document the control system in the office. Additionally, it should include descriptions of assignments, duties and identify positions that have the authority to approve different types of recurring and nonrecurring transactions.	The Department of Building and Zoning will update the document that was created at the initial launch of their online system and make it available for disbursement and use for employees by the month of September 2021.	Completed - Cook County Building and Zoning Workplace Policy and Procedure Manual was provided to the auditors.	Reported as Completed 10/08/21 *The OCA is verifying completion*
2	1/15/2021	The Department of Building and Zoning should analyze the current deposit process and provide updated, consistent and clear instructions. The instructions for collecting deposits should be communicated to the permit applicants by posting the new policy on the website and/or emailing registered applicants. Management of Building and Zoning should provide a copy of revised procedures and policies manual should be provided to all employees, especially those in charge of the intake process.	The new revised policies and procedures manual will include the procedures for handling of deposits. Estimated Completion Date: September 2021.	Completed - The office policy is in place with respect to deposits taken in for permits and staff is aware of these policies. The permit requirements posted on the departments website also make clear that a deposit is required when applying for a permit.	Reported as Completed 10/08/21 *The OCA is verifying completion*
3	1/15/2021	In Fiscal Year 2018, 80 out of 171 (47%) business occupancies and 33 out of 60 (55%) multi-dwelling unit inspections were not completed. The Department of Building and Zoning should evaluate planned inspection statuses at least quarterly, to ensure that they have maximum coverage. When an issue arises, management should be notified right away to adjust the annual inspection plan accordingly and conduct inspections for all units registered in accordance with regulations. Property Index Numbers that are registered in the inspection field but do not require an annual inspection, due to being annexed or other regulations, should be flagged accordingly in the BZ Workflow system.	The Department of Building and Zoning will request the Bureau of Technology the creation of search capabilities and prompts in their permitting system (BZ workflow) of all active multi-dwelling buildings and business registries which have incomplete or unscheduled annual inspections. This will allow the department to identify and complete all required annual inspections before the end of the fiscal year. The department will also flag incomplete and pending inspections in their workflow/permitting system. Estimated Completion Date: September 2021.	Completed - The department has improved control on ensuring all active business occupancies and multi-dwelling units are inspected annually. The department's workflow system periodically checks to make sure no annuals are missed and that, before the fiscal year ends, all inspections that are not yet completed get finalized and invoiced in the fiscal year. The department has requested from the Bureau of Technology to create such capabilities in "BZ Workflow" of all active multi-dwelling and business registries which have incomplete or unscheduled annual inspections.	Reported as Completed 10/08/21 *The OCA is verifying completion*

4	1/15/2021	The Department of Building and Zoning should, at least quarterly, reconcile payment reports received from the Department of Revenue with reports generated from BZ Workflow. Identify unpaid invoices and apply late fees to the amount owed, if applicable. Identify the Property Index Numbers as an unpaid customer and impose restrictions of the future permit request for the Property Index Numbers and owner until such time all payments are received. Administrative hearings can be held for unpaid invoices that are overdue for a long period of time.	As of late 2020, the Department no longer has an outside collection agency through the Department of Revenue that handles collections of some of our unpaid fees. They will work with the department to see if an outside agency can expand their scope to include all our unpaid fees. Regarding closed businesses, unpaid invoices, annexed properties, monies due that are not coming in and how to write off debt, the Department is currently meeting with representatives from the Department of Revenue to enact appropriate actions and to ensure consistency with processes of other similar County agencies. Estimated Completion Date: September 2021.	Completed - The department has put in place system enhancements to check the unpaid invoices for annual inspections. In the case of business occupancies, if the annual invoice is unpaid, the business will not have the renewed and required certificate of occupancy and will then be issued a violation. For multi-dwelling units, the annual registration occurs every year in addition to the annual inspection and both must be paid and in good standing. If not, a violation will be issued. For unpaid invoices for annexed properties, closed businesses and the like, the department will work with the Department of Revenue in attempting to collect those fees.	Reported as Completed 10/08/21 *The OCA is verifying completion*
5	1/15/2021	The department Building and Zoning should analyze the current permitting procedures and document who oversees and approves each permit-issuing step. Segregation of duties should be implemented to help prevent the same employee from being able to approve more than one process.	Immediate changes were made based on this recommendation to the workflow/permitting system to segregate duties of some delegated departmental employee approvers. Employees no longer have permission to approve multiple reviews of a permit to ensure segregation of duties and proper oversight. Completed.	Completed - Employees no longer have permission to approve multiple reviews of a permit to ensure segregation of duties and proper oversight.	Reported as Completed 10/08/21 *The OCA is verifying completion*
6	1/15/2021	The Department of Building and Zoning should review and analyze the current permit issuing process, including collection of payments, and consider adding the new enhancement to the BZ Workflow system, which will notify the staff member in charge when the payment for a permit is received by the Department of Revenue. In addition, the department should implement a permit payment collection policy, where it's clearly stated that relevant staff members must check the active permit list at least once a day for payment status.	An enhancement to the department's permitting system was made in late 2019 so that specific employees (currently the department cashier and the Zoning Administrator) can get an email each morning with a list of invoices paid in the last 24-hours. More employees may be added to this mailing so that they can process the awaiting permits such as contractor registration, inspections, etc. Estimated Competition Date: September 2021.	Completed - In October of 2020 an enhancement was made to the department's workflow system in which the department's cashier and Zoning Administrator receive an email each morning with a list of invoices paid in the past 24-hours. Every night BZ workflow queries iNovah for payments of all invoices. If paid according to iNovah a filled gold star shows up next to the invoice. The BZ workflow indicates the invoices that are paid and processed by the Department of Revenue.	Reported as Completed 10/08/21 *The OCA is verifying completion*

| 7 | 1/15/2021 | The Department of Building and Zoning Does not have appropriate check handling procedures implemented and there are no segregation of duties when the same staff person performs all of the check handling functions, which creates a control weakness. The Department of Building and Zoning should implement Check Handling Policies and Procedures and/or follow Department of Revenue Check Handling Policies and Procedures.

When a check is received an acceptable form of receipt must be used, which should be numbered sequentially for all deposits and forms of payment. Checks should be endorsed immediately upon receipt and kept in a secure location such as a safe, locked drawer, or secured deposit bag until they are deposited. A check deposit should be made frequently, ideally once a day, depending on the number of checks. Upon completion of the deposit, a receipt should be collected. All deposit receipts should be reconciled against the departmental receipts log. Departmental receipt logs must be maintained for the purpose of documenting a permanent record of incoming checks. At the end of each business day, a physical count of all checks received must be completed by the responsible supervisor and the amount must be reconciled to the The receipt log must be signed and dated by a management designee, other than the individual who performed the physical count and reconciliation to the receipt log and must be stored in a secured area at the end of each day. Any discrepancies must be reviewed and approved by the manager. | The department staff has contacted the Department of Revenue to assist our office in getting the check handling process consistent and in line with similar County agencies.
Estimated Completion Date: September 2021. | Completed - Since the pandemic, in working remotely, the department continues to encourage online payments. While this is completed by the majority of the department's customers, it does occasionally receive physical checks. The only way controls over the segregation of duties for the check handling process can be obtained is for the department to serve as a satellite office for the Department of Revenue. This would mean that the department acts independently and would need to process all our payments for all invoices that would have to be made out to the department. We do not feel that is viable given we only have one designated cashier. | Reported as Completed 10/08/21
The OCA is verifying completion |

Grant Management Process

Orig. Rec #	Audit Report Date	Item	Corrective Action Plan	Updated Response by Management	Expected Date of Completion
1	3/31/2021	The grants management process is decentralized. Each department/bureau manages their respective grant independently. Decentralization has led to inconsistent communication, practices, and inefficiencies within the County and between the awarded departments, Budget and the Comptroller's staff. Examples of the issues encountered were the following: not having a dedicated staff responsible for researching new grant opportunities, grant agreements and documents were not found in a centralized location and were not readily available for review and inadequate financial reporting and accounting knowledge by those responsible for managing grants was also found. Our office recommends a task force to include representation and input from grant departments to focus on items to centralize the grant management process.	The Bureau of Finance (BOF) recognizes and agrees with the Auditor's recommendation to establish a grants task force. This task force will be selected to review the Auditor's recommendations, research the pros and cons of centralization over the County's current decentralized state and provide recommendations that BOF can then work with all stakeholders to implement. BOF anticipates that this recommendation will require several years of work broken into phases, which will include: Phase I – Research and requirements gathering by the Grant Task Force – Q3 2021, Phase II – Recommendations for future state of grants management provided by the Grant Task Force – Q2 2022 (to be incorporated in FY2023 budget process), Phase III – Implementation of Grants Task Force recommendations – Q1 2023. The grant task force, together with the departments impacted by the recommendations, will be tasked with finalizing a timeline for implementation of the task force's recommendations. BOF will then report out progress being made accordingly.	As noted in the audit report response, this recommendation is the largest and most complex of all the recommendations. Though we haven't formally convened the Grant Task Force yet, several steps have been taken towards that goal, which include: 1) Identifying external subject matter experts to serve as consultants to project manage the County's Grants Task Force and the infrastructure, financial, technological, and policy recommendations that will result from the work of the Task Force. We are reviewing potential scopes of work and working with the OCPO on procurement options available for this type of engagement. 2) Working with the Bureau of Technology (BOT) to demo wholistic grants management platforms. We are currently working with BOT on the scope of work to bring on external consultants/project managers to review the landscape of grant management platforms and assist the County in developing the RFP/procurement process for selecting the new grants management platform. 3) The Bureau of Finance has established the Project Management Office (PMO) in this interim time period to manage the funding to be distributed from the County's American Rescue Plan Act (ARPA) allocation. The PMO is a cross section of County departments responsible for the financial, procurement, space, legal/compliance, human capital, and technology infrastructure for the County. Though the PMO is specific to the COVID 19 federal awards. it will convened under the project management of the selected vendor to work on the restructuring of the County's entire grants infrastructure.	All three (3) phases are estimated to be completed by 02/28/23

| 2 | 3/31/2021 | The Department of Budget and Management Services does not have current comprehensive written policies and procedures regarding the grant management process. Due to a turnover in the department and lack of sufficient resources, developing policies, procedures and reviews of processes were not a high priority. Also, a tool that they utilize called the Grant Tracker was not kept current. It should be maintained with accurate dates, data and accessed by only appropriate individuals. Documented policies and procedures would include individual job functions and responsibilities, timelines and form/documentation required to be completed for employees who are responsible for managing the grant process. We recommend that the Department of Budget and Management Services develop a policy and procedure manual for their own department, update the manual as lessons are learned, confirm information input into Grant Tracker is accurate, along with provide training at least annually. | The Department of Budget and Management Services agrees that the development of internal standard operating procedures (SOP) for grants administration as a companion piece to the Grants Manual will further clarify the specific tasks to be conducted by Department of Budget and Management Services staff. They stated that it will also allow for performance KPI's to be developed, implemented, tracked and evaluated for staff responsible for performing each task. They are currently working with a policy team from the University of Illinois at Chicago to identify (a) best practices in grants administration (which will serve as the basis for SOP development) and (b) what resources (staffing and software) are necessary to implement a best-practice grant administration infrastructure. This work is ongoing, with recommendations anticipated in May of 2021. The response to the Grant Tracker was that EBS is their platform for which accuracy about the grant matters. So an evaluation of their accuracy will focus on the staff's record of accurately taking information submitted by user departments on various request forms and inputting it into EBS. They are currently working with the Office of the Chief Financial Officer and the Bureau of Technology to explore consulting services that provide grants management policy development and technological platforms that achieve holistic grants management process. | In December 2021, DBMS embarked on an ambitious two-part project to develop a policy manual for the entire department, followed by a procedures manual to document each process undertaken in the office. This internal project will include polices and procedures for the grants division in DBMS. The first draft of the policy manual is scheduled to be completed by the end of February 2022. The current goal is to complete the policy manual by September of 2022 with the grants policies included therein. Once the policy manual is completed, the DBMS will embark upon the creation of specific procedures for all department processes. | Estimated completion date 09/30/22 |

| 3 | 3/31/2021 | The Grants Manual did not reflect current processes and requirements. When the new Justice Assistance Grant was renewed, the Department of Emergency Management and Regional Security submitted a grant agreement with relevant set-up forms and the EBS Position Update Form to the Department of Budget and Management Services. Because the employee was not correctly set up in the EBS Oracle PA ledger by the Department of Budget and Management Services, the position's payroll expenses of $37,592.49 was booked to the old grant and the renewed grant program at the same time. Also, there was an instance where the Department of Planning and Development requested a budget transfer, but due to lack of appropriate documentation, the budget transfer took longer than intended. We recommend the Department of Budget and Management Services update the Grants Manual to include a checklist and due dates for grant management personnel to follow. Training should be offered at least annually by the Department of Budget and Management Services, initially focusing upon the reconciliation process for the general and sub-ledgers. An on-going training program should be developed and communicated to ensure new and existing employees, who are responsible for managing grants, have a clear understanding of how to complete their responsibilities, along with any new updates to grant | The Department of Bureau and Management Services believes many of the incidents noted by the Auditor will be addressed through continued updates to the Grants Manual, continual training of user department staff, and assisting user departments with building out capacity within their grants division with staff with grants management experience. As for training, they agree that annual training is critical for adherence to grant processes and are working on how to implement a training program. Training on PA/GL reconciliation happens between them and the user departments currently on an ad-hoc basis as issues arise. They are planning on providing training on PA/GL reconciliation at the FY2021 2nd Quarter Grants Meeting to be held on April 30, 2021 with all user departments. They are exploring the feasibility of running the necessary PA/GL reports and delivering them to the user departments monthly as a reminder to engage. In the interim, they are releasing companion pieces to the Grants Manual to further clarify grant processes. The development of a checklist has been completed and released to user departments and anticipate releasing a timetable for grants processes by the end of FY2021. They will be conducting a PA/GL reconciliation training on April 30, 2021 during the FY2021 2nd Quarter Grants Meeting. | DBMS uses quarterly grants meetings to introduce new forms/processes to the County's grants departments as well as to remind departments of requirements under the Budget Resolution and the Grants Manual as it relates to the application and acceptance of grant awards. On January 29, 2021, the DBMS grants division introduced new forms and a checklist to assist departments in the various processes they must adhere to based on the Budget Resolution and the Grants Manual during the 1Q Grants Meeting. These forms are housed on the County's Grant's Sharepoint site to which all departments have access. All departments also send all grant documents and requests to a centralized email inbox which acts as a clearinghouse for the workflows for the DBMS grants division, will all activity documented in the office's Grants Management Tracker.
 DBMS continues to host quarterly meetings for County grant departments to, among other topics, remind them of the budget requirements and go over grant management forms. In addition, the Grants division hosts formal and ad-hoc trainings throughout the year to provide departments technical assistance as it relates to their grants administration. | Reported as Completed 02/09/22 *The OCA is verifying completion* |
| 4 | 3/31/2021 | Based on interviews from the randomly selected awarded departments, dedicated staff/employee(s) responsible for researching grant opportunities were not found within all departments. Departments with existing grants were not found to be pursuing new or expanded funding sources. Future County financial resources may be impacted by changes in local or federal aid. Departments should be encouraged to seek out new and expanded funding sources during their budget creation, Analyst check-ins and annual training sessions. Departments lacking knowledge as to how to apply for new or expanded grant opportunities should be provided guidance as to whom or where assistance may be obtained. | They agreed that the County's operations would greatly benefit from increased grant revenue, but they feel that the recommendation placed onto them is a responsibility not currently envisioned within their budgeting infrastructure due to Section 26 of the Budget Resolution. They will use the annual budgeting process and quarterly department grants meetings to encourage departments to seek out additional grant funding and to train them on grant budgeting best practices, but because the responsibility does not lie with them, they believe this recommendation is best suited within the finance departments. They believe in this current state, reporting out efforts made by a user department to increase their grant revenue could be built into the presentations each user department makes to the County Board during the Mid-Year and Annual Budget hearings. | See Management's response/update to recommendation 3. | Reported as Completed 02/09/22 *The OCA is verifying completion* |

| 5 | 3/31/2021 | During testing for the State's Attorney grant, the Awarded Amount did not match the Total Funding Amount in the Oracle Financial system (EBS). The selected department failed to notify the Department of Budget and Management Services at the time of the grant set-up in 2017 that the grant required a cash match. We recommend awarded departments notify the Department of Budget and Management Services when a grant requires a cash match before the grant is set-up in the system and/or at the time that they submit their contract agreements. Also, the departments should be reminded during grant training session of the requirements to notify the Department of Budget and Management Services of the need for a cash match as stipulated in the Grants Manual. | The Department of Budget and Management Services agrees about the importance of identifying the cash match requirement of a grant prior to setting up the grant for use by the department in our budget system. To aid in both the pre-award and post-award phases of the grant life cycle, they created new processes and new forms to be used by user departments, which focus on identifying (among other things) any required cash match. These new processes and forms were introduced to all user departments during the 1st Quarter Grants Meeting. At this meeting, which is hosted by them for all user departments with grants, they walked all user departments through the new processes and grant forms, explained both why cash matches must be identified during the pre-award and post-award phase, and how the cash match is set up in the grant budget in EBS. All processes and documents were stored on the Department of Budget and Management Services hosted Grants SharePoint site, which all grant user departments have access to. | See Management's response/update to recommendation 3. | Reported as Completed 02/09/22 *The OCA is verifying completion* |

Elliott Data System Implementation Process

Orig. Rec #	Audit Report Date	Item	Corrective Action Plan	Updated Response by Management	Expected Date of Completion
1	6/10/2021	The planning phase of the Elliott Data System implementation failed to include a project plan addressing critical components. Our audit found specific components were missing/not implemented. Our five (5) part recommendation addresses components that still need to be implemented.	EMRS concurs with the recommendation to the extent that it requires EMRS to implement an inventory management solution capable of maintaining accurate and complete inventory records in accordance with the Federal Regulations governing the federal grant dollars it receives. The department's response to the recommendation is as follows:		
		1) Define, document and implement the following: • Policies and procedures for the use, addition, modification, removal, and deployment of asset within the Elliott Data System. • A syntax as to how assets are to be identified when added to the Elliott Data System. • User roles and permissions to access (inquire), add, modify, and delete items within the Elliott Data System. • Required fields to be completed for each asset, prior to its being utilized or deployed.	1) Define, document, and implement • EMRS has crafted an inventory procedure document to guide the process of inventorying a grant-funded asset from the time of the using section's (or partner organization's) initial request to the purchased asset's receipt and entry into EDS. EMRS is currently engaged with the Bureau of Administration's Office of Research, Operations, and Innovation (ROI) to review and revise these procedures considering both the Auditor's report and ROI suggestions. • EMRS concurs that common inventory syntax is important. EMRS will initiate discussions with both ROI and the Comptroller's office to consider the creation of syntax to be used by all county departments. • EMRS concurs that well-defined user roles and permissions to access, add, modify, and delete items to the inventory system are necessary to ensure accuracy and prevent loss and theft. Given the importance of authorization in any inventory management system, EMRS will review current EDS user roles and permissions with both the vendor and ROI and implement their recommended changes. It is important to note EDS has the ultimate safeguard to identify theft and fraud; namely, it creates and maintains a record that logs every entry into the system that cannot be altered by any user, including	EMRS continues to meet with ROI to structure a workplan for the refinement of all policy and procedure documents related to the implementation of EDS. One such meeting reviewed the current EMRS inventory policy/procedure document to identify all sections that need EDS updates based upon the County auditor's findings. Multiple other meetings have established a syntax library for EDS to define each user field. This library is a work in progress and can be found on a SharePoint site that both EMRS and ROI can access. EMRS has participated in at least one meeting with EDS representatives to discuss user permissions and related roles. These discussions are ongoing and will drive future process development.	6/30/2022
		2) Complete a full inventory of assets within their responsibility and reconcile such inventory to the Elliott Data System.	2) Conduct a complete full inventory of assets within their responsibility and reconcile such inventory to the Elliott Data System. • EMRS concurs with this recommendation, as it constitutes a baseline component of meeting EMRS' federal equipment requirements. As we discuss above, 99% of the Master Asset List has been integrated into EDS and we anticipate both the creation of an EDS record for the remaining assets and removal of appropriate assets (with necessary approval from the Illinois Emergency Management Agency) from the inventory by the end of Q4 2022.	EMRS has entered all of the appropriate items from the Master Asset List into EDS and removed items that did not belong on the Master Asset List (MAL), were lost over time, were salvaged, etc. Any items removed from the MAL were discussed with our grantor, IEMA (per grant guidelines). With IEMA permission, we removed specific items from the EDS database. EMRS continues to work with the Cook County Sheriff's Office to inventory and tag over 3,000 radios held by multiple municipal and County agencies. EMRS has inventoried all of the relevant assets in its possession and only relevant assets in the possession of sub-recipients. remain uninventoried. Work continues.	11/30/2022

3) Establish connectivity between the Elliott Data System and WebEOC, along with:
- Review user access permission for use of the module.
- Synchronize assets between the modules and ensure modules are kept current.

3) Establish connectivity between the Elliott Data System and WebEOC.

Currently, EMRS respectfully disagrees with this recommendation for the following reasons:
- The rules, regulations and grant guidance governing the federal funds EMRS receives and manages do not require connectivity with a separate system to supplement a grantee's inventory system.
- While WebEOC provides EMRS with an additional means of identifying the location of an EMRS asset at any given time, it is primarily a virtual crisis management system and not an inventory management system.
- EMRS has only just begun the implementation of EDS as its primary asset tracking tool and prefers to perfect the policies, procedures, and functionality of EDS (as it applies to EMRS operations) over several inventory cycles before considering interconnectivity with a separate system.
- EMRS has already begun to explore the potential for interconnectivity between WebEOC and EDS. While interconnectivity is possible, it is currently unclear what level of connection/communication that can occur between the two systems. As such, EMRS seeks to perfect the implementation of EDS before pursuing interconnectivity.
- EMRS recognizes the potential benefits in interconnecting the two systems and will continue to pursue the feasibility of this enhancement with the platform manufacturers and ROI, time and resources pending.

No work has been completed on this recommendation. As indicated in our original response, this is an aspirational goal which exceeds the rules, regulations and grant guidance governing the federal funds EMRS receives and manages. As EMRS remains in the implementation phase of EDS as its primary asset tracking tool, it prefers to perfect the policies, procedures, and functionality of EDS (as it applies to EMRS operations) over several inventory cycles before considering the interconnectivity with a separate system. Further, the feasibility of interconnecting the two systems (EDS and WebEOC) remains unknown. We will, however, continue to explore this aspirational goal.

N/A - No Expected Date of Completion needed

4) Implement a cycle count process by which assets are:
- Accounted for on a regular basis. High value or easily lost assets should be cycle counted more frequently.
- Verified as within the location where assigned, are in working condition and received/scheduled any required preventive maintenance.
- Properly tagged and labeled, including any required personal protective gear required for use.

4) Implement a cycle count process.
- At this point, the implementation of a cycle count is an aspirational goal. EMRS is in the process of implementing EDS with the goal of compliance with the Uniform Grant Guidance governing the federal funds it manages. Said guidance envisions a complete inventory at least every two years. As such, EMRS is committed to periodic count inventories.

Relevant grant guidance requires a basic (and complete) inventory every two years. As such, EMRS remains committed to periodic inventories. To that end, EMRS has inventoried all of the relevant assets in its possession and entered same into EDS. EMRS continues to work with its sub-grantees to identify and inventory relevant assets in their possession.

N/A - No Expected Date of Completion needed

		5) Work with the appropriate Bureaus/Departments (Finance, Procurement, Salvage) to determine key attributes of assets such as:
		   • Purchase date
		   • Method of purchase (i.e., grant, operating fund, cost sharing)
		   • Useful life
		   • Disposal/write off requirements and notification procedures for any grantors, Departments/ Bureaus, or shared partners who uses the asset(s) or provided funding for acquisition/maintenance.
			5) Work with the appropriate Bureaus/Departments (Finance, Procurement, Salvage) to determine key attributes of assets.
			   • Collaboration with County Bureaus and Departments is at the core of EMRS' efforts to track down missing information on all Master Asset List assets entered into EDS. EMRS is taking great care to ensure that EDS equipment records for all new equipment entered into EDS since January 1, 2021, contain all required asset information specified at 2 C.F.R. 200.313 (d)(1).
				EMRS and ROI continue to build out a syntax library. Doing so requires us to include and involve all appropriate County Bureaus and Departments so that all data fields reflect appropriate asset information.	N/A - On Going Task

2	6/10/2021	EMRS should clearly define its inventory goals and objectives to improve the inventory process, management, and controls. Furthermore, the Policies and Procedures for Asset Management document should be updated and communicated to the relevant stakeholders on at least an annual basis. The updated Policies and Procedures for Asset Management document should include all controls related to inventory management using the Elliott Data System, asset disposal process, etc.	EMRS concurs with Recommendation #2. EMRS has already initiated a review of its asset management policies and procedures with ROI to ensure they comport with the County Auditor's Recommendations and Uniform Grant Guidance. It is EMRS' goal to be in full compliance with federal equipment requirements, which are clearly stated in the Uniform Guidance. EMRS will provide the Policies and Procedures for Asset Management document (as may be revised) to subgrantees for informational purposes and as a possible supplement to their own asset management policies and procedures.	EMRS is working with ROI on detailed policies and procedures for all inventory management functions. For example, we developed a methodology to track Sheriff radio equipment, we developed a methodology to work with our subrecipients to ensure they update their asset tags, etc. We are creating SOPs for all inventory functions.	6/30/2022

| 3 | 6/10/2021 | EMRS should record 100% of asset inventory, i.e., assets purchased with corporate or grant funds, using the Elliott Data System. This should include accurate and complete asset information recorded in the Elliott Data System. Such information at a minimum must include quantity, location (base and physical), condition, the value of inventory, detailed financial information, and acquisition and expiration dates. All supporting and relevant documents such as purchase request forms, invoices, purchase orders, grant information, vendor information, memorandum of agreements, disposal reports, incident reports, investigation reports, etc. should be uploaded into the Elliott Data System. | EMRS agrees with this recommendation to the extent that it requires EMRS to record accurate and complete federally funded asset information in EDS for assets purchased on a specific date forward. EMRS cannot, at this time, commit to recording key attributes for 100% of its assets – both corporate and federally funded – in EDS.

The inventory effort seeks to ensure that EMRS is in full compliance with its federal equipment requirements. All new equipment (with a purchase date of January 1, 2021, or later) has (and will have) EDS entries containing accurate and complete asset information. Historical purchases – including those near or past their useful life – often have incomplete or inaccurate information that cannot be located before said assets are salvaged. While EMRS is committed to cleaning up those historical entries, newer assets will be prioritized, as their information/documentation is more readily available. In all cases, EMRS will strive to include as much accurate information for each of its assets within EDS.

To the extent the recommendation implicates inventory synchronization, e.g., common syntax, EMRS will consult with ROI and the Comptroller as to feasibility and practicality of EMRS (and perhaps other county departments) recording 100% of asset inventory in EDS. | EMRS has inventoried and recorded relevant federally-funded assets in its possession in EDS. Its efforts to do the same for relevant assets in the possession of sub-recipients is ongoing. EMRS and ROI have started to strategize on the best way to analyze all of the data captured in EDS to ensure it includes as much of the federally required fields as feasible. As noted in its original response, all new equipment (with a purchase date of 1/1/21 or later) has (and will have) EDS entries containing accurate and complete asset information. Historical purchases - including those near or past their useful life - often have incomplete or inaccurate information that cannot be located before said assets are salvaged. While EMRS is committed to cleaning up those historical entries (and has eliminated numerous assets with IEMA approval), ensuring accurate information for newer equipment will be prioritized, as their information/documentation is more readily available. In all cases, EMRS will strive to include as much accurate information for each of its assets within EDS as possible. | 11/30/2022 |
| 4 | 6/10/2021 | EMRS should update and enforce inventory count policies and procedures for consistent and accurate inventory records and to ensure compliance with regulations for the timeliness of inventory counts. The update of the inventory count policies and procedures should at minimum require blind and cycle inventory counts, sufficient documentation of counts and adjustment, and appropriate segregation of duties. The updated policies and procedures should include a standardized form that the sub-recipients will utilize in their physical inventory count process. The updated policies and procedures document and reporting timeline should be communicated with all the stakeholders, including the sub-recipients. | Recommendation speaks to EMRS' inventory obligations as to corporate funded assets. Our current priority is to fully implement EDS in the context of federally funded assets. | EMRS continues to work with ROI on detailed policies and procedures for all inventory management functions. For example, we developed a methodology to track Sheriff radio equipment, we developed a methodology to work with our subrecipients to ensure they update their asset tags, etc. We are creating SOPs for all inventory functions. | 6/30/2022 |

5	6/10/2021	EMRS should update the policies and procedures to include a segregation of duties matrix to ensure proper authorization and accountability for all transactions recorded in the Elliott Data System. After such policies and procedures are updated, access within the Elliott Data System should be modified to reflect the clearly defined level of authorities. A process by which periodic review should also take place to ensure access controls are functioning appropriately and as intended. In addition, periodic review of system generated audit trails should be reviewed.	EMRS agrees with the Auditor's recommendation that segregation of duties is important in any inventory management system. EMRS has been thoughtful in its implementation of EDS to ensure authorization and accountability for all transactions recorded in EDS. EMRS will continue to refine its access controls, update its procedures accordingly, and work with ROI to implement periodic reviews of its access control and system generated audit trails.	Focus area for the future -- will be included in policy and procedure documents being created. 9/30/2022