Office of the County Auditor
69 West Washington, Suite 2200 ● Chicago, Illinois 60602 ● (312) 603-1500

June 19, 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 2nd Quarter Open Recommendations Status Report. As indicated in the report, since FY'13 there have been 157 recommendations made by the OCA for which 146 have been implemented and 11 not implemented. The status of the 11 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 Carroll
Audit Supervisor
Office of the County Auditor

Office of County Auditor
FY'18 2nd Quarter Open Recommendations Status

Cash Reconciliation Project | Chief Judge

Item #	Item	Corrective Action Plan (CAP)	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 | Clerk of the Circuit Court

Item #	Item	Corrective Action Plan (CAP)	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 utilized month end report from the 3rd party collection agencies to monitor performance. The CFO routinely meets with the collection agencies to discuss their collection rate/performance. Also, the Clerk's Office has drafted a Wage Garnishment policies and procedures. The Auditor's office is currently reviewing the Wage Garnishment policies and procedures that were developed, as well as the additional information requested that was received from the CCC on 6/15/18.	8/31/2018

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).	In addition to Deficiency billing, which has now collected in excess of $350,000 from billings generate by the new ITPS system, the first set of Delinquency notices were sent in early April and have generated an addition $93,000 in revenue through April 30th. Notices for the six tax types that were part of our first release of ITPS are being phased in through the month of June. Going forward, these notices will be sent on a monthly basis. In addition, we are currently working to complete design and testing of ITPS for our remaining Home Rules Taxes and anticipate going live in late summer. 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 out 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.	11/30/2018
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.	In addition to Deficiency billing, which has now collected in excess of $350,000 from billings generate by the new ITPS system, the first set of Delinquency notices were sent in early April and have generated an addition $93,000 in revenue through April 30th. Notices for the six tax types that were part of our first release of ITPS are being phased in through the month of June. Going forward, these notices will be sent on a monthly basis. In addition, we are currently working to complete design and testing of ITPS for our remaining Home Rules Taxes and anticipate going live in late summer. 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 out 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.	11/30/2018

FPD Grant Procedures
FPD

Item #	Item	Corrective Action Plan (CAP)	Most Recent Update	ECD
1	The FPD does not have central reporting and tracking of all grants with activity, expenditures and current status. Various spreadsheets and other methods of documentation exist, but there is no central repository to easily determine the grant population with grant name, term, status, awarded dollars, expenditures, grant requirements, and reporting.	The FPD IT Department will create a SharePoint Site as a central repository to track all grants. All applicable FPD users will be given access to the Site. The Site will be modeled after the Cook County Grant's SharePoint Site.	Additional scope recently requested by grant manager. The Grants Management SharePoint site is 95% complete.	6/30/2018

Law Library Revenue Operations
Law Library

Item #	Item	Corrective Action Plan (CAP)	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

Vendor Payment Process
Comptroller

Item #	Item	Corrective Action Plan (CAP)	Most Recent Update	ECD
2	Invoices are not being processed in the most efficient manner to ensure prompt payment.	The Comptroller's Office is planning with the implementation of the Oracle EBS ERP system to implement a number of process improvements: departments will enter their invoices in the system as soon as they are received and tracking of receiving / initial processing dates should occur in the system; department approvals and Comptroller's review and processing will be completed though an automated workflow process which should eliminate the need for processing a hardcopy 29A form and reduce the time needed for submission and maintaining hardcopy documents.	The Comptroller's Office continues to work with the Oracle EBS system integrator to create a custom report to track AP cycle times to be able to analyze processing times and address accordingly with the user departments. The creation of this custom report is expected to start in the spring of 2018.	6/30/2018

WBE MBE Process			Contract Compliance	
Item #	Item	Corrective Action Plan (CAP)	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. Unfortunately the current system is very antiquated and needs updating. Our internal technology team along with our project management consultants and BOT are fully aware and are collaborating to determine what is best that will meet our needs in conjunction with the new core application as an interface to connect with the County's ERP system.	In Progress with Core Application Project.	11/30/2018
6	Controls over the Cashier Management System user access rights need to be strengthened.	CCRD will implement periodic reviews of our user access and deactivate any users that are no longer with the agency, where applicable. CCRD will enhance our policies and procedures for assigning, maintaining, and monitoring user access rights.	The implementation of the recommendation includes performing reviews twice a year (June and December).	11/30/2018

Recommendations Status Summary FY 2013 to Date	
Status	# Recommendations
Implemented	146
Not Implemented	11
Total	**157**