To: Margaret Ewing, Director of Human Resources  
    Paul Rafae, Chief Financial Officer  

From: Bob Grogan, CPA, CFE  
       County Auditor  

Subject: Workforce Innovation and Opportunity Bank Account Reconciliation  
          #17-65  

Date: July 26, 2017  

The Office of the County Auditor has completed an audit of the Workforce Innovation and  
Opportunity Act (WIOA) bank account. Audit procedures were performed to review the internal  
controls and transactions as well as independently reconcile the bank statement as of June 30,  
2017.  

Results  
Audit procedures determined that the reconciliation was performed by a Finance  
Department staff member who does not have disbursement or deposit responsibilities with  
respect to this account. The reconciliation was acknowledged by initials and date of the  
staff member performing the reconciliation. There were no exceptions noted in the internal  
controls examined.  

- At the time of the audit, two checks payable to the same individual had been  
  outstanding for over six months.  

Objective  
The County Auditor will perform a series of audit procedures designed to evaluate the  
internal controls over certain bank accounts outside the control of the County Treasurer. A  
review was performed to determine if the reconciliation of the WIOA account was timely  
and accurately performed.  

Background / Audit Scope  
A non-interest bearing checking account is maintained at Chase Bank to administer the  
Workforce Innovation and Opportunity Act Grant. The Account is used to expedite  
incentive and bonus payments to participants in training programs overseen by the
Workforce Development Division (WDD). Students receive payments determined by WDD based on attendance, completion of training programs, and 90-Day job retention. The checks are prepared by the Finance Department and distributed by WDD at the training locations. The account is reimbursed with checks issued by DuPage County, requested periodically. These payments do not require County Board approval when initially paid. The County’s reimbursement of the expenditures is subject to Accounts Payable procedures and County Board approval. The account has an imprest balance of $15,000.

This limited scope internal audit was designed to test if the bank reconciliation was performed on a timely basis and reviewed by an individual independent of deposit and disbursement activities. Procedures included verifying that disbursements were reasonable, and that deposits were made in a timely manner.

The procedures performed by the County Auditor were not designed, nor are intended, to provide a thorough assessment of the internal control risks associated with the processing of transactions in the WIOA account.

**Audit Findings and Recommendations**

- At the time of the audit, there were two outstanding checks issued to the same individual totaling $144.00. The checks were issued during July, 2016 and August, 2016. An $80 check to a different individual has been outstanding since November, 2016. It is recommended that the status of these checks be researched and reissued as appropriate.

If you have any questions, please contact me.

cc: Tom Cuculich, County Administrator
    Carmi Cyrus, Finance Department