



# OFFICE OF THE COUNTY AUDITOR

**Bob Grogan, CPA, CFE**  
*DuPage County Auditor*

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January 17, 2019

Jean Kaczmarek, County Clerk  
DuPage County  
Wheaton, Illinois 60187

Dear Jean:

In accordance with the statutory responsibilities of my office, I have completed an audit of the cash on hand of the Election Commission. The objectives of the audit were to:

- Determine the cash on hand in the Election Commission office at end of business on January 15, 2019; and,
- Obtain a brief overview of the cash handling process.

### **Summary of Findings**

Audit procedures performed by the County Auditor's Office determined that the cash on hand in the Election Commission totaled \$207.04 and was properly secured at the close of business on January 15, 2019.

### **Background**

On January 15, 2019, the County Board approved Ordinance CB-O-0010-19 consolidating the DuPage County Board of Election Commissioners into the Office of the County Clerk. At the close of business that day, the County Auditor performed an audit of the cash on hand in the Election Commission office and obtained a brief overview of the cash handling process. These procedures were performed to determine the funds on hand at the time of the dissolution of the Election Commission.

Prior to these procedures, the County Auditor had not audited the Election Commission since its inception pursuant to an Attorney General Opinion issued in 1977 limiting the Auditor's role.

The Election Commission processes a relatively small number of over-the-counter transactions for the sale of various records. Cash and checks for these transactions are accepted in the Election Commission office and are periodically deposited with the County Treasurer. A "change fund" maintained to handle the cash transactions is secured in a locked drawer. Access to the funds is limited. Pre-numbered receipts are issued to customers and the records are maintained by the QuickBooks accounting software.

The Election Commission maintained a bank account at the DuPage County Credit Union which was closed in October 2018. Follow-up audit procedures will be performed to review the activity in this account.

Discussion with Election Commission staff indicated that the change fund does not have a preset balance and there were no written procedures detailing the cash handling procedures.

#### **Audit Procedures**

On the last day of business prior to the consolidation of the Election Commission with the County Clerk's Office, the County Auditor physically counted the cash and coin on hand ("change fund") in the Election Commission office. This procedure was witnessed by Election Commission personnel. The amount of cash and coin in the cash box was \$207.04.

Because there were no written procedures regarding the cash handling process provided to the County Auditor, there was no basis for the auditor to establish what the cash balance in the change fund should be. Thus, the County Auditor can make no determination as to whether the amount counted accurately reflects the historical transaction activity.

A listing of the customer transactions for a period beginning in September 2018 through January 2019 was provided to the County Auditor. These were reviewed to determine the level of activity. Since September 26, 2018, approximately \$4,356 in over-the-counter transaction receipts had been deposited with the County Treasurer.

#### **Audit Findings and Recommendations**

- The cash on hand in the change fund on January 15, 2019 was \$207.04.
- According to Election Commission staff, there are no bank accounts administered by the Election Commission outside of the County Treasurer's Office. An account maintained at the DuPage County Employees Credit Union was closed in October 2018. The County Auditor will be performing additional audit procedures to determine the nature of this account in a subsequent audit.
- Over-the-counter transactions appear to be properly accounted for using the QuickBooks software application. Receipts are issued to customers using QuickBooks.
- The cash on hand appears to be adequately secured.
- It is suggested that written procedures be developed regarding the cash handling procedures.
- Good internal control practices recommend that the change fund be set at a nominal amount which is adequate to handle the normal daily transactions. This provides the ability to "balance" the drawer at the end of each business day to determine whether the money in the drawer agrees to the receipts collected. Currently, this amount has not been established. It is suggested that the County Clerk set the drawer amount based on expected department activity. Considering the activity reviewed, over the limited timeframe examined, \$200 would be a reasonable amount, until a more

detailed analysis can be performed by the County Clerk. Any funds over this amount should be deposited with the County Treasurer.

- It was noted that only 3 deposits had been made with the County Treasurer since late September 2018. It is recommended that a procedure of making regular, at least weekly deposits, with the County Treasurer's Office be established.

I would like to express my appreciation to the staff members of the Election Commission and Office of the County Clerk for the assistance provided during this internal audit.

Sincerely,

OFFICE OF THE COUNTY AUDITOR



Bob Grogan, CPA, CFE  
County Auditor

cc: County Board  
Thomas Cuculich, County Administrator  
Suzanne Fahnestock, Executive Director

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