



OFFICE OF THE COUNTY AUDITOR

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To: Mary Keating, Director of Community Services
Paul Rafac, Chief Financial Officer

From: Bob Grogan, CPA, CFE *RTG*
County Auditor

Subject: DuPage Social Service Association Account Reconciliation, December 2018
#19-16

Date: February 12, 2019

The Office of the County Auditor completed an internal audit of the DuPage Social Service Association (DSSA) bank account. Internal audit procedures were performed to review the internal controls and independently recreate the reconciliation performed by the Finance Department for the bank statement as of December 31, 2018.

Results

Internal 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 the initials and date of the staff members performing the reconciliation, reviewing the reconciliation, and approving the reconciliation. The book balance of the account is \$94,956.51.

Funds collected from the County employee's United Way payroll deduction in June 2018 have not been deposited into the account. This is a repeat audit finding.

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 DSSA account was timely and accurately performed.

Background / Audit Scope

The DuPage Social Service Association maintains a non-interest bearing checking account at the DuPage County Employee's Credit Union to make payments for social programs in situations when grant funds are not available. These payments do not require County Board approval and are not audited by the County Auditor prior to disbursement. Deposits into the account are made from DuPage County employees payroll deductions administered by the United Way combined campaign and other donations.

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 deposits were made on a timely basis.

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 DSSA account.

Audit Findings and Recommendations

Previous internal audits performed by the County Auditor noted that the June 2018 deposit into the account from the United Way - County employee payroll deduction did not occur. The United Way was notified of this discrepancy in November 2018, and they stated that the missing deposit would be made in December 2018. The review of the December bank statements indicate that this transfer did not occur. It is suggested that the United Way be contacted regarding the missing transaction.

A check to Little Caesars Pizza issued in December 2017 was voided. This check had not been cashed despite repeated attempts by staff to notify the payee. A replacement check has been issued and sent out.

A prior audit finding relative to the DSSA petty cash account has been resolved. During December, the petty cash account was reimbursed for previous expenditures to bring the amount back to its \$100 nominal balance.

If you have any questions, please contact me.

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