Office of the County Auditor
Mary Modelski
Cook County Auditor
69 West Washington, Suite 840 ● Chicago, Illinois 60602 ● (312) 603-1500

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May 20, 2024

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 to request an update as to the current status of each recommendation. Of the seven open recommendations, six were reported as still inprogress and one was 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 seven open recommendations as of March 2024.

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

Office of County Auditor
Open Recommendations Status – March 2024

Orig. Rec. #	Audit Report Date	Recommendation	Corrective Action Plan	March 2024 Update	Estimate Date of Completion
Clerk of the Circuit Court – Revenue Process					
4	10/23/15	The Clerk of the Circuit Court provided a high-level chart indicating over $30 million in 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; and Collection Agency Performance Measures for the next contract.	***Current Update*** – The Clerk of the Circuit Court has compared two financial documents which consists of the following: • Aging Report dated November 30th, 2022 from Alliance One, which is the Collection Agency • An internal report created by our MIS Department which summarizes the outstanding collection balances as of November 30th, 2022 that is separated by District and Municipality The Aging Report provided by Alliance One that had 16,000 lines was sorted, however the Municipality information was based on the Individual's address versus the City or Government Body that issued the ticket, fee, or fine. The primary source of information that is shared between Alliance One and Clerk of the Circuit Court is the number associated with the ticket, fee, or fine. Our Office is currently working with Alliance One to reorganize their data to sort the information by the Agency that issued the ticket, fee, or Fine as the leading factor. Once this information is uploaded into Alliance One's database, we can then truly compare the outstanding receivables.	**Completion date is TBD**

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Clerk of the Circuit Court – Revenue Process – continued					
				Prior Update - The Clerk of the Circuit Court is comparing two separate financial documents, which consists of the following: • Aging Report dated November 30, 2023, from the Collection Agency Alliance One, and • An internal report created by the Clerk of the Circuit Court's MIS Department which summarizes the outstanding collection balances as of November 30, 2023, separated by District and Municipality. The Aging Report provided by Alliance One has over 16,000 lines, which we are currently sorting to capture the true receivable associated with a Municipality. Once the data is correctly sorted to capture the total receivable, we will then compare this information to the data reported in the internal document generated by our MIS Department. This comparison will provide an analysis of the variance between these two reports.	
Animal Control - Cash Management Process					
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 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.	***Current Update*** - ARC has revised its tag return/credit process by reducing the amount of tag returns allowed by clinics and will institute an exchange program so that tags are not credited but exchanges and transactions are easily identified, and credits will not have to be tracked. A new system update and enhancement implementation is still pending which will include a more advanced inventory tracking method and management tools. Procurement for these enhanced functionality/services is in process.	**09/01/24**

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Animal Control – Cash Management Process – continued					
				Prior Update - ARC has revised its tag return/credit process by reducing the amount of tag returns allowed by clinics and will institute an exchange program so that tags are not credited but exchanges and transactions are easily identified, and credits will not have to be tracked. The system implementation is still pending which will include a more advanced inventory tracking method and management tools.	
Grant Management Process					
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.	***Current Update*** - Final negotiation with a selected vendor is underway, and BOF hopes to have the agreement ready to be sent to review by Board of Commissioners in May 2024. Once the agreement is executed BOF anticipates launch of consultant support over the summer, with standup of Grants Task Force by late summer. This is a modified approach to the corrective action plan but would reflect substantial progress toward addressing finding. ***Prior Update*** - DBMS, coordinating with OCPO, issued the RFP in summer 2023. The evaluation committed began its scoring reviews in late August and is currently in the presentation phase of the procurement process. DBMS is hoping that final scoring selection can be completed by early December.	**08-31-24**

Orig. Rec. #	Audit Report Date	Recommendation	Corrective Action Plan	March 2024 Update	Estimate Date of Completion
Grant Management Process – Continued					
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 the 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.	***Current Update*** - Nearly all grant procedure documents have been drafted for final review. DBMS anticipates final versions will be approved and enacted by May 2024. ***Prior Update*** - DBMS Grants team is continuing its efforts to develop the requisite procedures to complement already completed policies. For various reasons, progress on procedures development has been on pause over the summer. With development of the FY24 budget nearly finalized, DBMS Grants team will resume focusing on the development of procedures into November and December.	**06-30-24**

Orig. Rec. #	Audit Report Date	Recommendation	Corrective Action Plan	March 2024 Update	Estimate Date of Completion
Elliott Data System Implementation Process - Recommendation 1					
1	6/10/21	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. 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.2) Complete a full inventory of assets within their responsibility and reconcile such inventory to the Elliott Data System.	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 • 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 the system administrator.	***Current Update (N/A)*** - Closed with the implementation of the new inventory policy and procedure manual.	**Completed - The OCA is in receipt of the new inventory policy and procedures manual.**

Orig. Rec. #	Audit Report Date	Recommendation	Corrective Action Plan	March 2024 Update	Estimate Date of Completion
Elliott Data System Implementation Process - Recommendation 1, Point 2					
		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.	***Current Update*** - Still in progress – no new update this quarter. We continue to work with all parties involved to complete the radio inventory. ***Prior Update*** - Radio inventory is 98% complete -- working with the Sheriff to track down the remaining few stragglers and missing radios. Will finalize complete inventory by the end of the fiscal year. It should also be noted that as part of the County's Single Audit, auditors selected a sample of radios and were able to locate all of the sample radios. No inventory audit findings were issued. EMRS and Sheriff are closely collaborating, with weekly meetings, to make this project a success	**11/30/2024**
Elliott Data System Implementation Process - Recommendation 1, Point 3					
		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.	***Update N/A*** - This item remains on hold -- focus will remain on basic implementation and other Auditor recommendations before we examine this interconnection. 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.	**N/A - No Expected Date of Completion needed**

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Elliott Data System Implementation Process - Recommendation 1, Point 3 (continued)					
			• 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.	Further, the feasibility of interconnecting the two systems (EDS and WebEOC) remains unknown. We will, however, continue to explore this aspirational goal.	
Elliott Data System Implementation Process - Recommendation 1, Point 4					
		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	***Update N/A*** - We have begun quarterly reviews of key inventory (Assets that are used most frequently will be spot checked on a quarterly basis). 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**
Elliott Data System Implementation Process – Recommendation 5, Point 5					
		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 funds, cost sharing)	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.	***Current Update (N/A)*** - Closed with the implementation of the new inventory policy and procedure manual.	**Completed - The OCA is in receipt of the new inventory policy and procedures manual.**

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Elliott Data System Implementation Process – Recommendation 1, Point 5 (continued)					
		• 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.	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).		
Employee Reimbursement Process – Cook County Health and Human Services					
6	6/12/2023	It was determined through review that the current Cook County Health & Hospital System (CCHHS) Tuition Reimbursement Program Procedures was last revised in February 2013. The policy being outdated could expose CCHHS to internal control risks and does not address needed procedural improvements throughout the various departments. During our testing of 11 tuition reimbursement requests for Cook County Health & Hospital System (CCHHS) Nursing Staff the following exceptions were identified: • There was one occurrence where the total amount on the 29A Form did not agree with the tuition reimbursement noted on the report provided by CCHHS HR. • There was one occurrence where the Application for Tuition Reimbursement was not submitted with the reimbursement request. • There were four occurrences where the CCH Tuition Reimbursement Checklist Part #1 was not submitted with the reimbursement request. • There were two occurrences where the CCH Tuition Reimbursement Checklist Part #2 was not submitted with the reimbursement request. • There was one occurrence where paid receipts, transcripts, canceled check(s), and/or credit card	Management agrees with the finding and will institute the practice of reviewing and updating the Tuition Program every two years or as needed. In addition, procedures will be revised to include a review and sign off by CHRO or designee that all required documentation is included and properly completed before submission for reimbursement. Estimated date of completion 08/01/23	***Current Update*** - There has been successful process improvement made to the tuition reimbursement process since the 4Q2023 update from the previous Chief Human Resources Officer. Approximately 80% of the tuition reimbursement process has since been automated within a software program called Salesforce. Within the Salesforce tool, HR operations has been able to eliminate paper forms and submissions and transition to a mostly paperless process. Documents from employees are uploaded into the system and all tuition reimbursement program documents are all housed within Salesforce. All activity within the Salesforce tool is time/date stamped so that HR operations has an accurate record. The system automatically rejects employees who are not eligible for Tuition Reimbursement based on the eligibility criteria. HR operations is able to add electronic case notes within the Salesforce system and to track all communication/case management for all employee cases. We are also able to run reports from the system as needed, which was not possible in the past. The Tuition Reimbursement Agreement Form (2-year payback) process has also been automated through Salesforce.	**Education completion -- constant and ongoing. Automating final leg of process: anticipated summer 2024 as long as funding and resources still available.**

Orig. Rec. #	Audit Report Date	Recommendation	Corrective Action Plan	March 2024 Update	Estimate Date of Completion
Employee Reimbursement Process – Cook County Health and Human Services (continued)					
		statement were not submitted with the reimbursement request. We recommend that Cook County Health & Hospital System (CCHHS) Human Resources (HR) complete the following: The current Cook County Health & Hospital System Tuition Reimbursement Program Procedures should be reviewed and updated on a consistent basis to ensure it is being properly implemented as intended and are producing the desired goals and objectives. Tuition Reimbursement Request supporting documentation submitted to CCHHS HR should be reviewed by one or two designated staff personnel to make certain each item is included and properly completed per the Cook County Health & Hospital System Tuition Reimbursement Program Procedures.		There is additional automation desired. Approximately 20% of the tuition reimbursement process still needs to be automated including the automation of disbursement of funds which is still a manual process. Additional education about the tuition reimbursement program and Salesforce tool is needed. HR operations is currently partnering with the HR business partner in nursing to assist with improving this in the future. ***Prior Update*** - We have implemented, very recently, a technology solution for submitting, capturing documents, and responding to tuition reimbursement requests through HR Service Link (using Salesforce). Part of this automation process includes routing for proper approvals as well as to review the current process, which we are analyzing now and will continue to do for the next quarter to determine what, if any, changes will be needed to HR Service Link or the program.	
7	6/12/2023	During our review of 10 non-travel reimbursement requests for Cook County Health & Hospital System (CCHHS) Employees the following exceptions were identified: • There was one instance where CCHHS Finance did not sign the 29A Form as evidence of review and approval. • There were five instances where employees were reimbursed for incurred expenses that were paid to vendors for goods and services rendered using their own personal credit card. Nor did they have	Management agrees with finding and will follow all applicable CCH Supply Chain and Information System policies related to procurement of goods and/or services. In addition, CCH will create/revise any applicable policy(s) related to the authorization and reimbursement of allowable business expenses for all employees including Attending Physicians. Estimated date of completion 12/01/23	***Current Update*** - After 8-month trial period of County policy, CCH was allowed to re-implement their own Employee Official Business and Travel Expense Reimbursement Policy effective March 2024 and has implemented a review process to ensure adherence to said policy before submission to the Comptroller's office for processing. ***Prior Update*** - CCH implemented the new County and Employee Official Business and Travel Expense Reimbursement Policy effective July 15, 2023, and	**Completed March, 2024**

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Employee Reimbursement Process – Cook County Health and Human Services (continued)					
		the vendor(s) go through Cook County's Procurement Process. Cook County Health & Hospital System (CCHHS) does not have a Contract / Collective Bargaining Agreement (CBA) or Policy that governs employee reimbursement expenses such as equipment, educational classes, seminars, etc. that are incurred by Attending Physicians. Failure to create a policy or include reimbursable expenses in the CBA will not allow CCHHS Attending Physicians and Administration to be educated and aware of all reimbursable employee expenses. We recommend Cook County Health & Hospital System (CCHHS) perform the following: For the procurement of supplies, materials, equipment, and services follow CCHHS's Supply Chain Management Procurement Policy and have vendors invoice CCHHS for all goods provided and/or services rendered at competitive prices. Electronic equipment such as computers, laptops, and smartphones, etc. purchased by CCHHS Employees should follow the System Acquisition, Development, Maintenance Policy that identifies acceptable and prohibited uses of information technology resources under the jurisdiction of CCHHS. Create a policy that outlines a set of parameters and authorization for allowable reimbursement expenses incurred by Attending Physicians.		has implemented a review process to ensure adherence to said policy before submission to the Comptroller's office for processing.	