



KANE COUNTY AUDITOR'S OFFICE  
AUDIT WATCH

AUGUST 2012 ISSUE

Audit Watch is a report issued by the Auditor's Office which contains information of interest to county officials and board members. This issue for the eighth month of the Fiscal Year 2012 is a supplement to the July 31, 2012 financial information prepared and issued by the Finance Department. As of July 31, 2012, county offices and departments would be at 67% of their budgeted expenditures. Allowing for a 3% threshold, the offices and departments listed on the second page of this newsletter are at or over 70% of budget expenditures with the same period of the prior year presented for comparison.

- \* Debt Service expenditures are comparable with the prior year.
- \* Details pertaining to other significant expenditures can be obtained from the Finance Department.
- \* Budget overages are based upon actual expenditures plus encumbrances in relation to the revised budget. Encumbrances are an important factor in the Impact Fee and Building Management overages.
- \* In reviewing the provided information, the timing of expenditures is a factor. Overages at this point in time may not be the situation at fiscal year end.
- \* As offices/departments get closer to exceeding their budgets, we will issue audit alerts with notification to the County Board Chairman, Finance Department, Executive Committee and Finance/Budget Committee and other interested parties. At the point where expenditures exceed budget, vendor invoices and payroll will no longer be processed until authorized by the Finance Department and Finance/Budget Committee.

SEE PAGE TWO FOR COMPLETE LIST

**NOTE: The Treasurer's Office has issued a memo to the department heads stating that staff will be re-assigned to collections for the period of 8-20 thru 9-10 and 10-22 thru 11-02. The Treasurer will not process payments during these periods. The Auditor's Office will continue to process accounts payable during these periods. If you are unaware of this memo please contact your department head or the Treasurer's Office.**



**SPECIAL POINTS  
OF INTEREST:**

- *Next AP payment cycle date is 09-10 and then 09-24 and 10/09/2012*
- *Next Payroll Date is 08-31, Friday before Labor Day*
- *Remember to print **Master Card** statements every 2 weeks!!! And pay them.*
- ***Please reread the AP Procedures** distributed Dec. 2009. This is a good time to make sure you are following the current procedures.*
- ***Batch submittal procedures:** These should also be reviewed.*

<b>EXPENDITURES:</b>	<u>07-31-2012</u>	<u>07-31-2011</u>
<b><u>GENERAL FUND</u></b>		
BUILDING MANAGEMENT	80%	82%
REGIONAL OFFICE EDUCATION	83%	68%
JUDICIARY & COURTS	70%	73%
TREATMENT ALTERNATIVE COURT	95%	55%
JUVENILE CUSTODY	88%	87%
JUVENILE JUSTICE CENTER	70%	67%
AURORA ELECTION EXPENSE	81%	14%
<b><u>SPECIAL REVENUE FUNDS</u></b>		
OPERATIONAL SUPPORT	83%	82%
RIVER BOAT	76%	85%
COUNTY BRIDGE	70%	60%
MOTOR FUEL TAX	92%	99%
COUNTY HIGHWAY MATCHING	99%	98%
MOTOR FUEL LOCAL OPTION	80%	100%
TRANSPORTATION SALES TAX	91% (2)	89%
CDBG	89%	93%
HOME PROGRAM	90%	76%
<b><u>CAPITAL</u></b>		
CAPITAL IMPROVEMENT BOND	72%	78%
TRANSIT SALES TAX BOND CONST.	91%	125%
TRANSPORTATION CAPITAL	79%	78%

( cont'd)

 THE ABOVE FINANCIAL INFORMATION IS **UNAUDITED**



**EXPENDITURES:**

07-31-2012

AUDIT WATCH  
07-31-2011

<u>DEBT SERVICE</u>		
ADULT JUSTICE FACILITY	100%	100%
JUVENILE JUSTICE BOND	100%	100%
CAPITAL IMPROVEMENT BOND	72%	98%
MOTOR FUEL TAX BOND	99%	98%
TRANSIT SALES TAX	99%	98%
<u>OTHER</u>		
AURORA IMPACT FEES	74%	212%
GREATER ELGIN IMPACT FEES	1415% (1)	296%
TRI-CITIES IMPACT FEES	135% (1)	103%
NORTH IMPACT FEES	74%	316%
CENTRAL IMPACT FEES	117% (2)	0%
SOUTH IMPACT FEES	143% (1)	0%
MILL CREEK SSA	71% (1)	48%
SAVANNA LAKES SBA	70%	N/A
EXPOSITION VIEW SBA	730% (1)	N/A
ENTERPRISE SURCHARGE	81%	82%

The Above Financial Information is **UNAUDITED**

- (1) Entirely due to encumbrances
- (2) Primarily due to encumbrances

## FEATURE OF THE MONTH — BUDGETS



Once again it is that time of year to determine the availability of funds for county operations in fiscal year 2013 – The Budget Process. Department Heads are currently submitting requests to their respective standing committees with subsequent review by the Finance/Budget Committee and final approval by the Board Chairman. It seems appropriate to consider the 2011 recommendations by the budget advisory panel.

- Distinction between union and non-union employees in granting of salary increases
- Cost increase is a result of state or federal mandate
- Funding of personnel positions by a specific revenue source
- Justification for special revenue funds that have salary and benefit expenses and any cost allocation method
- Job description, revenue funding source, result of a mandate and any other justification for the position

CLARIFICATION CORNER—GENERAL

**FAQ'S GENERAL:**

How do I have a remit sent with my payment (check) ? *Make a copy of the whole invoice. Do not remove or tear remittance off original invoice. Paperclip all remits (copies of invoice) together in back or in front of your invoice batch. Do not expect this to be done for you :)*

**Per Diem FAQ's:**

When I request a per diem for meals do I need to turn in the meal receipt? *NO, you do not need to submit a receipt for meal reimbursement*

*using the per diem rate. If you elect to not request a per diem and request an actual cost reimbursement, a receipt is required and the reimbursement amount will be limited per the county Financial Policy.*

*When do I need to provide an agenda or proof of registration? Whenever an employee attends any event, i.e. conference, training seminar or workshop, where a registration fee is charged a copy of the registration, agenda or such other document that shows what meal is included must be submitted with the PEV—regardless if the employee elects to use*

*actual cost reimbursement or per diem reimbursement.*

**AUDIT ALERT**

Lynn Carlstrom has transferred to the Regional Office of Education and Mary Herwaldt has joined the auditor's office as our administrative officer. We thank Lynn for her service and wish her success in the new position. Mary has many years of accounts payable and office management experience and will be a valuable employee in our office.

**THOUGHT OF THE DAY!!!!!!**

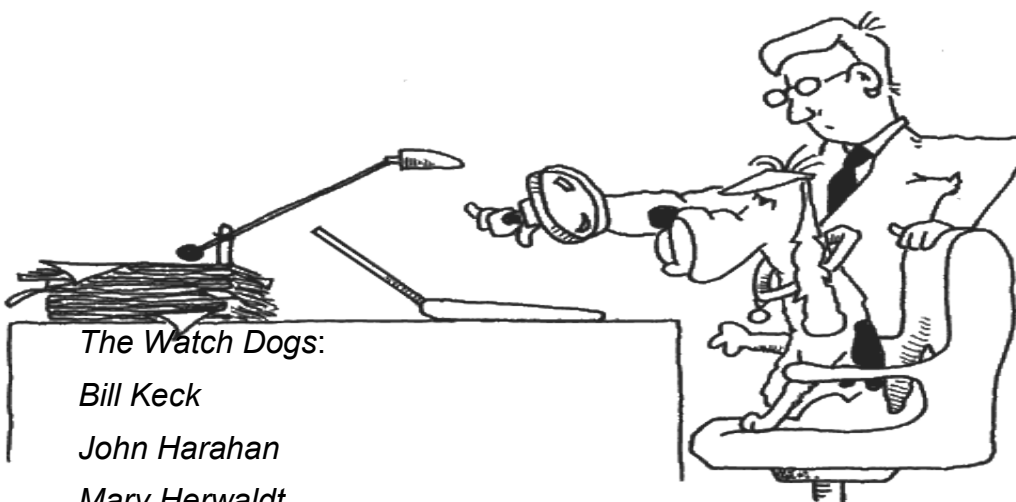
**CHASERS**

A sign on Washington's Route 8, featuring an illustration of a police car with lights flashing, reads "IF YOU DRINK AND DRIVE, WE'LL PROVIDE THE CHASERS."



**SPECIAL POINTS OF INTEREST:**

- *Submit the original invoice for payment requests*
- *On the original invoice highlight the vendor name and amount*
- *Include the account number string and batch number on all original invoices*
- *If the original invoice or receipt is smaller than 8-1/2x11, then affix to an 8-1/2x11 sheet of scrap paper*
- *Direct deposit is available for PEV reimbursements—contact the Finance Department.*



*The Watch Dogs:  
Bill Keck  
John Harahan  
Mary Herwaldt*