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KANE COUNTY GOVERNMENT CENTER

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MEMORANDUM

DATE: July 31, 2008

TO: Elected Officials, Department Heads and County Board Members

FROM: William F. Keck, Auditor *WFK*

RE: Statement of Economic Interest Review

Enclosed is our review of the Statement of Economic Statement filings for the May 1, 2007 and May 1, 2008 filing deadlines. Included therein are our findings, conclusion and recommendation.

If you have any comments or need additional information, please contact me.

STATEMENT OF ECONOMIC INTEREST REVIEW
MAY 1, 2007 AND 2008 FILING DEADLINES

INTRODUCTION

According to 5 ILCS 420/4A-101 of the Illinois Compiled Statutes, the following persons shall file verified written statements of economic interest with the Kane County Clerk:

1. Elected officials and candidates for nomination or election to that office.
2. Citizens appointed to zoning board of appeals, plan commission, board of review and any other governing boards for the County of Kane.
3. Employees who receive compensation for services rendered and are as follows:
 - a. Department Heads
 - b. Supervisor with direct responsibility for the formulation, negotiation, issuance or execution of contracts in an amount of \$1,000.00 or greater.
 - c. Authorized to approve licenses and permits.
 - d. Authorized to adjudicate, arbitrate or decide any judicial or administrative proceeding. Also, authorized to review this action taken by others.
 - e. Authorized to issue or promulgate rules and regulations.
 - f. Supervisors with responsibility for 20 or more employees.

Persons subject to filing requirements must disclose any economic interest specified in section 4A-102 on a form provided by the County Clerk.

Candidates for elective office receive their statements of economic interest forms with their nomination petitions. The County Clerk will request certification from Elected Officials and Department Heads for the names of employees in their departments who satisfy the criteria in 3 (a-f) above. Likewise, requests will be submitted to Elected Officials and governing boards for certification in accordance with the criteria in 1 and 2 above. The certification deadline is set by state statute. When persons required to file are certified, the County Clerk will submit to them a Statement of Economic Interest form on or before April 1 of each year.

Candidates for elective office must file their statement of economic interest form with their nomination petitions unless this form has been filed with the government unit within a year preceding the deadline. All other persons required to file a statement of economic interest form must do so by May 1 of each year. An exception is when a person takes office or is otherwise required to file a statement of economic interest form within 30 days prior to May 1 of the year. Then, the deadline is extended to May 31 without penalty.

Within seven (7) days after the May 1 filing deadline, the County Clerk will notify each person who has failed to meet this deadline by certified mail. Such person shall file their statement of economic interest form by May 15 along with a \$15.00 late filing fee. Any such person who fails to file by May 15 shall be subject to a penalty of \$100.00 per day from May 16 until their filing date. This penalty shall be assessed in addition to the \$15.00 late filing fee. Failure to file a statement of economic interest form by May 31 shall result in forfeiture according to Section 4/A-105 of this Act. Also, within seven (7) days of the May 31 filing deadline provided for

exceptions, the County Clerk will notify each person who has failed to meet this deadline by certified mail. Such person shall file their statement of economic interest form by June 15 along with a \$15.00 late filing fee. Any such person who fails to file by June 15 shall be subject to a penalty of \$100.00 per day from June 16 until their filing date. This penalty shall be assessed in addition to the \$15.00 late filing fee. Failure to file a statement of economic interest form by June 30 shall result in forfeiture according to Section 4/A-105 of this Act. This section provides for forfeiture of office or position of employment when prior notification has been given by the County Clerk. In the absence of prior notification, there will be a 30-day grace period from the Actual notice by the County Clerk of failure to file a statement of economic interest.

From the certified lists, the County Clerk shall compile an alphabetic listing of persons required to file statements of economic interest. Within thirty (30) days after due dates, the County Clerk shall mail to the State Board of Elections a true copy of that listing which identifies those who have filed statements of economic interest. Persons on the listing who have failed to file a statement of economic interest before the filing deadline shall be noted on this listing by the County Clerk and a copy of same is sent to the State's Attorney office.

SCOPE OF EXAMINATION

Statements of economic interest forms for county employees and appointers were filed in a "County Board" folder. Offices, departments and commissions were separated within the "County Board" folder. When an employee of another governmental unit served on the county board or commission, the statement of economic interest was filed with the other governmental unit. Documents for county employees required to file and members of county commissions were reviewed for the filers compliance with the requirements of 5 ILCS 420/4A.

FINDINGS

	Number of May 1 filing exceptions	Number of May 1 filing exceptions
	2007	2008
Form filed after Deadline	8	6
No filing date identified by filer on form	15	23
Form not signed by filer	0	2
One or more questions not answered on form	10	6

The status of fines assessed and collected is as follows:

	2007	2008
Fines assessed	5	2
Fines collected	5	2
Fines not assessed or unable to determine whether assessed	3	4

CONCLUSION

For Kane County offices, departments, boards and commissions, statement of economic interest forms are imprinted with the name of the filer and all that apply. It was not considered necessary to identify them in the question pertaining to employment with another unit of government even though this was occasionally done so by County Board members.

Statements of Economic Interest files with the County Clerk are properly categorized. Notification of filing procedures with appropriate follow-up appears to be in effect. Except for the previously mentioned findings, county employees and members of county boards and commission appear to be in compliance with the statutory requirements of 5IL CS 420/4A.

RECOMMENDATION

County Clerk's office sends notification letters to filers when there are unanswered questions on their economic interest statements. However, there are still instances where forms are received with unanswered questions and/or not answered properly. There needs to be a ruling by the State's Attorney as to whether a form submitted with unanswered questions represents an invalid filing of a Statement of Economic Interest and is subject to fines imposed by statute.

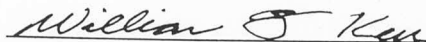
Fines are not being assessed against all of the filers who do not comply with the May 1 filing deadline cited in the findings:

	2007	2008
Form filed after deadline	8	6
Fines assessed and collected	5	2

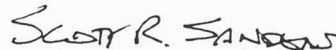
The only record of fines collected is a notation on the form by the clerk responsible for the statement of economic interest forms. There is no record of fines collected by other clerks in the office. Fines need to be assessed and collected in all instances of failure to file by the deadline. There needs to be a record keeping system to account for all fines assessed and collected in the office.

In accordance with KCC Sec. 2-192 (c) (2) "within thirty (30) days of receipt of the internal audit report, each county officer, agent or division shall submit a written response to the county auditor, outlining the action that has been taken in response to the recommendations made by the auditor."

Respectively Submitted,



William F. Keck, CPA
County Auditor



Scott R. Sanders
Deputy Auditor