

OFFICE OF THE COUNTY AUDITOR
KANE COUNTY GOVERNMENT CENTER

WILLIAM F. KECK, C.P.A.
KANE COUNTY AUDITOR



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January 23, 2007

TO: Chairman McConnaughay, members of the Executive & Finance / Budget
Committees and participants in the Credit Card Program

FROM: William F. Keck, Auditor *WFK*

RE: Credit Card Program Review

Attached is our Credit Card Program Review for the Fiscal years 2004, 2005 and 2006. Draft copies were submitted for review and comments to the Finance / Budget Committee members and the Circuit Clerk. Comments received were included in the report. Also included within the report are our findings and recommendations.

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

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**CREDIT CARD PROGRAM REVIEW
FOR FISCAL YEARS 2004, 2005 AND 2006
January 23, 2007**

The purpose of the review of the Kane County Credit Card Program was to determine if the program is in compliance with the Finance Policy and analyze statistical data gathered from activity. The source for the data gathered is derived from monthly detailed transaction reports submitted to the Auditor's Office from First National Bank of Omaha, the vendor. Certain audit procedures, noted below, were not performed because they were outside the scope of this review.

COMPLIANCE WITH FINANCE POLICY:

On March 13, 2001 Resolution 01-68 AMENDING KANE COUNTY FINANCIAL POLICIES ADOPTED BY RESOLUTION 99-30 was passed. In Section 12.a Other Financial Policies – *Departmental Credit Cards Issued by the County* are the rules governing the Kane County Credit Card Program. The following bullet points segregate Section 12.a of the policy, by sentence, with comments pertaining to adherence of the policy:

- *It is the intent of the County to place limitations on the use of credit cards issued by the County.* Credit cards are issued on a department level to department heads. Policy is followed.
- *Department heads may issue these credit cards to the division heads or other personnel deemed appropriate and a list of all cardholders shall be provided to the Finance Director.* Policy is not followed. The list is submitted to the Auditor's Office, not the Finance Director. The Finance Department does not have any responsibilities with the program.
- *Employees that are assigned credit cards must sign a waiver stating that they will not make any personal charges to a County issued credit card and acknowledge that use of the credit card is for County purposes only.* Policy is not followed. Waivers are not requested by the Auditor's Office. Procedures were not performed to determine if the respective Office or Departmental is following this policy.
- *A listing of those County personnel that are assigned credit cards must be updated by department heads for the Finance department whenever a change is made.* Policy is not followed. The list is submitted to the Auditor's Office, not the Finance Department. Currently, the Office or Department will contact the Auditor's Office to initiate any additions to or deletions from the program. The Auditor's Office will

