

**OFFICE OF THE KANE COUNTY AUDITOR**  
KANE COUNTY GOVERNMENT CENTER

TERRY HUNT  
KANE COUNTY AUDITOR

JOHN F. X. HARAHAN  
DEPUTY AUDITOR



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November 20, 2013

Hon. Chris Lauzen – Kane County Board Chairman  
Hon. Terry Hunt - Kane County Auditor  
Kane County Board Members

Ladies and Gentlemen,

Deputy Auditor John Harahan has completed a transition audit of the Office of the Kane County Auditor. The audit objectives, summary of findings, background, audit procedures and audit findings comprise my report.

**Audit Objectives:**

As part of best practice procedures, whenever a new officeholder is elected, the County Auditor would typically perform an audit. As such, Deputy Auditor Harahan has conducted a transition audit of the fixed assets and financial accounts assigned to the custody and control of the Kane County Auditor. The objectives of the audit were to:

- Verify that the fixed assets identified by the Finance Department as being in the custody of the County Auditor at the time of transition, were actually located within the Office, or at locations under the control of the Office; and,
- Verify the existence, review recent activity and assess internal controls in place relative to the bank accounts and credit card accounts maintained by, and under control of, the County Auditor at the time of transition, as well as the three month period before and after the newly elected County Auditor took office.

**Summary of Findings:**

- Though the Auditor's Office has no qualifying fixed assets listed by the Finance Department, all county equipment and property in use prior to the transition remains in place. Only personal items were removed by the retiring County Auditor.
- The Auditor's Office maintains no bank accounts outside the custody of the County Treasurer. Retiring Auditor Keck turned in his county credit card as called for by procedure. All charges made to this card in the last three months of fiscal 2012 were appropriate and within budget. Incoming Auditor Terry Hunt has elected to forego a county credit card at this time.

**Background:**

County policy, as it applies to fixed assets, computer equipment and office furniture and equipment is as follows: It shall be the intent of the County to maintain a fixed asset ledger of all permanent assets acquired. The Finance department will maintain these asset records on an on-going basis to ensure proper controls and report annually regarding these records to the Board. No asset will be considered fixed unless its value or component value exceeds \$10,000 dollars.

County policy as it applies to financial accounts is as follows: Only the County Treasurer is authorized to establish financial accounts for the office of County Treasurer. All other offices must seek the approval of the County Board, unless otherwise prescribed by law.

The Auditor's Office has been able to conduct business effectively without the need for separate bank accounts. Though 55 ILCS 5/3-1004 Internal Operations of Office would permit the County Auditor to maintain such an account, none has thought it necessary to do so. Retiring Auditor Keck did participate in the County's credit card program. In anticipation of his retirement, he turned in his County credit card in October. All charges made to this card in the last three months of his term were appropriate and within budget. Newly elected Auditor Hunt has so far declined to make use of the Credit Card program.

**Audit Procedures:**

Audit procedures were performed to verify that no County property was removed by retiring Auditor Keck. Since County credit card charges are audited on an ongoing basis, we reviewed the recent audit records. All was in order.

**Audit Findings:**

No adverse findings were noted.

I wish to thank the County Auditor Terry Hunt and Mary Herwaldt for the assistance they provided to me on this project. Additional thanks to the Finance Department for their cooperation.

Please feel free to contact me with any questions.

Sincerely,

OFFICE OF THE KANE COUNTY AUDITOR



John F. X. Harahan  
Deputy Auditor