

The seal of Kane County, Illinois, is a large, faint watermark in the background. It features a central diamond shape with a smaller diamond inside it, and a banner below the diamond with the date "JAN. 16, 1836". The outer ring of the seal contains the text "SEAL OF THE COUNTY OF KANE STATE OF ILLINOIS".

OFFICE OF THE KANE COUNTY AUDITOR
Penny Wegman, Kane County Auditor

**Verizon Cell Phone &
Device Audit**

August 9, 2021

Kristin Jenkins
Deputy Auditor

Ryan Kula
Michael Trendell
Staff Auditors

719 S. Batavia Ave, Geneva, IL 60134
(630) 232-5915

OFFICE OF THE KANE COUNTY AUDITOR

Penny Wegman, Kane County Auditor

Overview

The purpose of the Verizon Cell Phone contract is to provide Kane County employees the ability to perform their duties effectively, with flexibility, and to improve communication channels throughout Kane County. Kane County's Verizon Cell Phone program is operated by the Information Technology Department (ITD). Cell phone devices are provided to employees based on legitimate business needs.

As of June 16, 2021, there were 858 devices being billed. These 858 devices include phones, tablets, Mifi cards (local Wifi hot spots) and watches. On average, Kane County managed 834 devices per month from December 17, 2020 through June 16, 2021. Devices for the Sheriff Office also include devices in vehicles. Through a 12-month period from June 17, 2020 through June 16, 2021, the Verizon cell phone payments totaled \$395,262.

Breakdown For June 2021

Government Entity	Number of phones	Cost
Sheriff's Department	250	\$ 9,980
Public Health Department	158	\$ 5,354
Court Services	112	\$ 4,723
Other	115	\$ 4,713
Information Technology Department	58	\$ 2,512
States Attorney's office	43	\$ 1,723
No cost center	47	\$ 1,566
Department of Transportation	30	\$ 1,231
County Board	24	\$ 870
Building Management	21	\$ 777

The Information Technology Department is responsible for new device requests, provisioning and deactivation/disposal. The departments are responsible for notifying the Information Technology Department of phone requests and when employees are terminated so that the ITD can erase the terminated employee's devices.

Currently there is not a county-wide policy for mobile device use. Some departments have adopted their own but there is currently no standard policy in place.

Monthly Verizon bills are received by the ITD. Each monthly bill is approximately 1,800 pages. The ITD Administrative Services Manager utilizes the "Quick Summary" of the Verizon Bill (First 2 to 4 pages which shows the total amount due), processes the bill for payment in New World where it will be reviewed and approved for payment by the ITD Deputy Chief Information Officer and the Kane County Auditor's Office. The entire 1,800 page bill is also included in New World and available for review prior to approval of payment.

A report is provided by the Information Technology Department for phones that were not used in a 90 day period to the other departments. Departments are not required to follow up on this information with the ITD at this time.

OFFICE OF THE KANE COUNTY AUDITOR

Penny Wegman, Kane County Auditor

Audit Objective

The objective of this audit was to assess the design and effectiveness of internal controls over wireless communication devices and to identify areas of risk and opportunities for potential savings. Areas reviewed include the current policies and procedures, current controls in place, and the determination if the design and operating effectiveness of the controls identified are adequate. To accomplish these objectives, the following areas of focus included:

- Wireless communication device policies and procedures
- Segregation of duties and access
- Device inventory, acquisition, activation and deactivation
- Device / service usage reporting and monitoring

In addition, we assessed whether or not the devices being paid for by the County are being underutilized or not utilized at all.

Audit Scope

The scope of this audit included the amounts billed by Verizon for the six-month period from December 17, 2020 through June 16, 2021.

The Auditor's Office tested for the Verizon bills for the following:

- Duplicate names
- Terminated employees
- Underutilization of phones
- No usage of phones

Issues

Duplicate Names Listed on the Verizon Bill

Auditor's Office identified an average of 40 duplicate names across the six months of Verizon bills audited. With the exception of one name, all of these duplicates showed the employees who had maintained two devices like cell phone and laptop, cell phone and watch, etc. These were legitimate occurrences. In addition, Verizon auto generated a name approximately 7 times per month without a cost center assigned. This occurred as a result of the County requesting lines and devices from Verizon through the Verizon representative and not through the Verizon website. The ITD has appropriately assigned cost centers for these phones.

Terminated Employees Listed on the Verizon Bill

Nine discrepancies were found across the six months audited when checking for terminated employees. After presenting findings two lines were suspended which had cost a total of \$85 a month. Two lines had their names updated to reflect employees who currently maintained the phones. The remaining 5 had their lines cancelled already but the respective departments had reported to the ITD to have their lines cancelled in an untimely fashion.

OFFICE OF THE KANE COUNTY AUDITOR

Penny Wegman, Kane County Auditor

Limited & Zero Usage

Limited usage would be less than 50 minutes of talking and less than 25,000 kilobytes of data per month. This is less than 3 minutes of talking and less than two emails with attachments and three minutes of web surfing per work day.

From the 6 months of invoices reviewed, Limited Usage accounted for \$860 or 3% of the average total monthly cost while Zero Usage accounted for \$4,412 or 13% of the average total monthly cost.

We identified 39 flip phones maintained in the Public Health Department with 29 showing no usage and 10 showing Limited Usage. Eleven phones are used and maintained by the Vaccine Clinic Cost Center with one showing usage and the remaining 10 showing no usage.

Recommendations

Kane County Information Technology Department should complete the following:

1. Prepare a Kane County Mobile Device Use and Management Policy indicating responsibilities and requirements for:
 - a. each department that maintains devices for their employees,
 - b. each employee that maintains a device and
 - c. The Information Technology Department, who is responsible for new device requests, provisioning and deactivation/disposal.

Management Responses Information Technologies Department: I agree that there is a need for a policy or policies. I believe this would require a group effort including Purchasing, Finance, Human Resources, IT Department, State's Attorney, Auditor, and Treasurer. I think that the policy would certainly apply to departments but the application of the policy to elected officials would present challenges. I also believe that a policy is only as good as the enforcement mechanism. How would we enforce the policy? Would the enforcement of the policy require additional overhead, staff, and management? I would recommend that the County Board create a policy subcommittee under Human Services or Executive Committee.

2. Implement a monthly wireless device monitoring process including usage reports for each department requiring monthly department review, which would require each department to confirm active wireless devices for which expenditures are being incurred. During this process the departments will identify limited usage and no usage lines and will confirm their termination. The Information Technology Department should work with Verizon to produce a simple summary page for each department indicating department usage details.

Management Responses Information Technologies Department: While offices and departments are not required to follow up on this we (ITD) do make the request to verify if a phone should remain active. I acknowledge that there are savings to be had in the timely termination of services for inactive or unused phones and plans. After speaking with staff, I think the billing cycle reviewed had many artifacts or remnants from the period of COVID and mass vaccination efforts. Staff continues to review the statements and look for inactive or unused devices to terminate services. The termination of services is also complicated by offices and departments that insist on keeping devices for business continuity, strategic, tactical, or emergency purposes.

OFFICE OF THE KANE COUNTY AUDITOR

Penny Wegman, Kane County Auditor

3. Implement and facilitate a formalized and documented wireless device inventory within the next two months and then on an annual basis.
 - a. Annual inventory should require a review and sign-off of the results by an independent knowledgeable supervisory level person within each department that maintains the devices.
 - b. The purpose of the inventory should be to validate the existence of the wireless device and completeness of inventory records
 - c. The inventory records should include:
 - i. User's name
 - ii. Department and cost center
 - iii. Wireless device unique identification number
 - iv. Type of device
 - v. Cost

Management Responses Information Technologies Department: I support the idea of a policy and maintaining inventory of devices which we have through the Verizon billing. We divide the billing by cost center which includes employee number and basic usage. If we were to manage the inventory outside of the billing I would recommend additional staff and overhead.

The Administrative Services Manager for the county aided in this audit by working with the Verizon representative on our behalf and providing additional information when necessary. Discussions with them had shown they had a good understanding of the matters at hand.

Sincerely,



Penny Wegman
Kane County Auditor