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SHERIFF'S DETAIL FUND #702 (FORMERLY #108) REVIEW

September 27, 2007

BACKGROUND:

Resolution #91-119, passed on May 14, 1991, authorized the Sheriff's Office deputies to perform extra duty work and charges for such work shall be paid through the Kane County payroll system. The charge per hour for extra duty work shall be \$25.00, \$18.75 of which shall be deposited in Kane County's General Fund to be paid to the appropriate deputies and \$6.25 of which shall be deposited in the County's Insurance Liability, Social Security and IMRF funds; and the Chairman of the Kane County Board and the Kane County Auditor are hereby directed to obtain proposals from consultants having an expertise in cost of service studies for a study and analysis of costs relating to extra duty work.

On May 30, 2007 the Treasurer's Office requested the Auditor's Office confirm the balance of the Sheriff's Detail Fund #108. On May 31, 2007 the Treasurer's Office requested us to provide additional information as follows:

1. New Contact.
2. Please verify the balance and do an audit of this account.
3. Please let us know of any amounts that you wish to move to the general fund, with your signature and approval on it.

July 16, 2007 the Auditor's Office issued an internal report to the Treasurer's Office responding to the above requests. The internal report noted an immaterial difference between the County's finance system balance and the balance provided by the Treasurer's Office; the difference between the current hourly rates charged for the extra work from the amount approved by Board Resolution #91-119; a recommendation that an analysis of the rate be performed as provided in the resolution; and that the receipts be distributed in accordance to the resolution.

FOLLOW UP:

As a follow up to the work previously performed, the Auditor's Office discovered the following:

- A review of board resolutions from #91-119 (1991) to current determined that Resolution #91-119 is the most current resolution with respect to the Sheriff's Extra Detail Work. Any changes to the hourly rate and the creation of Sheriff's Detail Fund #108 did not have corresponding Board approval.
- Extra work is billed to the customer at \$37.50 an hour for security work or \$43.00 if a patrol car is needed. The deputy is paid \$30.00 an hour for their time; \$7.50 is to cover the county's insurance, social security and IMRF costs, and if a patrol car is utilized an additional \$5.50 an hour is charged to cover the cost of the vehicle.
- On the 17th of each month any deputy can sign up for the following month's extra detail work.
- Audit procedures were performed to verify deposits made to the checking account (into fund) agree with amounts entered into the County's finance system (H T E).
- Audit procedures were not performed to determine the purpose of disbursements made from the checking account (out of fund) and if they agree with the County's finance system (H T E). Our opinion is disbursements from the fund are transferred to the County's payroll disbursing account and represents the \$30.00 per hour amount earned by the deputy and does not contain the amounts due to the county's liability insurance, social security, IMRF and vehicle maintenance fund – the cause for the accumulating balance. Due to the length of time and the volume of individual records it is cost prohibitive to determine exactly what amounts are due to each fund.
- In theory, Fund #108 should be a zero balancing account. Any receipts received before a given pay period should be disbursed on that pay period.
- The Sheriff's Detail Fund #108 (H T E) is now called Sheriff's Detail Escrow Fund #702 (New World System).

RECOMMENDATIONS:

1. The Sheriff's Office, Human Resource Management-Payroll Department and the County Treasurer shall determine what deposits have not been processed for payroll distribution and recommend to the Judicial & Public Safety Committee the total amount that shall be distributed to the county's insurance liability, social security, IMRF and vehicle maintenance fund.
2. The Sheriff's Office, Human Resource Management-Payroll Department and the County Treasurer shall create and implement written procedures to ensure that amounts are disbursed in accordance to board approved resolution.
3. The Sheriff's Office should perform a cost analysis to ensure that the amounts currently charged cover all County incurred costs and present the finding of the analysis to the Judicial & Public Safety Committee.

