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## **IGO Releases Audit on City Clerk's Office**

The City of Chicago Office of Inspector General (IGO) released an audit of cash handling and sticker inventory procedures of the Clerk's Cicero/Archer South Side Satellite Office.

The audit stemmed from an IGO investigation referred by the City Clerk's Office. Noting concerns of systemic irregularities at a satellite office under a previous City Clerk, the Clerk's Office invited independent IGO inquiry into those broader suspected irregularities. The resulting audit focused on whether the Clerk's Office had effective and efficient operations and internal controls, as well as adequate policies and procedures, in place.

The audit found that the Clerk's Office's application of internal controls was not adequate to ensure efficient and effective management of the cash handling procedures until late in 2008 when a new point of sale system was installed. The IGO also identified significant deficiencies in internal controls over cash handling and the sticker inventory process. Other internal control deficiencies included:

- Weak inventory procedures and lack of performance of inventory reconciliation; sticker inventory requested from the vault was not maintained by one set, standardized process, thus allowing for and resulting in inconsistencies. Inventory count sheets and the master inventory were inconsistent.
- Improper maintenance of financial records; City Treasurer records were not reconciled or balanced to the Clerk's Office documentation on a regular basis. The City Treasurer was unable to balance the credit card sales receipts to the credit card account.
- Near total absence of segregation of duties within the satellite office with regards to cash handling; multiple employees worked from the same cash drawer during business hours, removing individual accountability for overages and shortages.

"The City Clerk's Office has been proactive in addressing certain shortcomings revealed in the course of the audit, and has indicated ongoing efforts to supplement its corrective measures," said Inspector General Joe Ferguson. "This audit shows the importance of instituting a regular audit cycle in City government and how these audits can lead to better service for City residents and save taxpayer dollars.

The Clerk's Office fully cooperated with the IGO throughout the audit. The adequacy and effectiveness of any corrective measures instituted by the Clerk's Office was beyond the scope of this audit and will be the subject of a follow up report from the IGO.

The audit can be found [online](http://www.chicagoinpectorgeneral.org) at the IGO's website: [www.chicagoinpectorgeneral.org](http://www.chicagoinpectorgeneral.org).

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