



DATE : August 22, 2018

TO : Barry Burton, County Administrator

FROM : Patrice Sutton, Chief Financial Officer

RE : Bronner Group Assessment of Lake County Purchasing Card Program

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On August 10, 2018, Lake County signed the attached agreement with Bronner Group, LLC (Bronner) to perform an assessment of the Lake County Purchasing Card (p-card) program. Bronner is uniquely qualified to perform this assessment because it has (a) a wealth of experience conducting assessments for the public sector, specifically purchasing card audits, and (b) knowledge of the Lake County organization and structure obtained through its current work on the Finance and Administrative Services (FAS) Assessment.

The p-card assessment began on August 10 with Bronner's project manager and forensic audit expert onsite for several days beginning August 16. As outlined in the attached contract, Bronner's scope of work is to perform an assessment of Lake County's current p-card policies, procedures, internal controls and usage practices for all p-card holders, including Lake County Board Members and elected officials. This entails:

- Transaction Review – Bronner requested monthly activity using a sampling methodology which resulted in selection of a variety of different types of cardholders over the last two-year period, including statements and all supporting documentation. This review will assess compliance with existing policies and procedures.
- Interviews – Bronner has conducted interviews with the finance professionals in the departments with the highest usage as well as staff within the County Administrator's Office and the Finance Department involved in the p-card process. The purpose of the interviews is to understand how the procurement card program works in practice.
- Benchmarking – Bronner is seeking the policies and procedures of peer counties and other government organizations as well as compiling best business practices and industry standards from such bodies as the Government Accountability Office, Institute of Internal Auditors, the Government Finance Officers Association, and the National Institute of Government Procurement.

Bronner will compile its findings and recommendations into a report as well as presentation to the Finance and Administrative Committee on September 26, 2018. The report will identify gaps and provide recommendations to improve Lake County's purchasing card internal control framework.

Background information on the initial selection process for the vendor to complete the FAS Assessment is provided below.

- Lake County conducted a competitive Request for Proposal (RFP) process and received 8 proposals to complete an organizational and operational assessment of the FAS Department. A multi-agency team of County staff from Finance, County Administrator's Office, Public Works, Human Resources, Emergency Management, and Division of Transportation reviewed proposals and interviewed four finalists. In February of 2018, Bronner was selected to complete the FAS Assessment.
- A second phase was envisioned in the initial scope. Following the completion of the phase 1 report and stakeholder review, phase 2 will be a more detailed analysis and/ or action on the high priority findings and recommendations.

#### ATTACHMENTS

- Contract with Bronner Group, LLC for Assessment Services for Lake County's Purchasing Card Program
- Finance & Administrative Services Operations Assessment Award Information – 2/13/2018