

The background of the page features a large, light gray watermark of the Seal of Kane County, Illinois. The seal is circular with a scalloped outer edge. Inside the seal, the text "SEAL OF THE COUNTY OF KANE" is written around the top, and "STATE OF ILLINOIS" around the bottom. In the center, there is a diamond shape with a compass rose, and the date "JAN. 16, 1836" is written below it. The words "ORGANIZED" and "KANE" are also visible within the seal's design.

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

Menards Rebate Audit
Fiscal Year 2025

February 25th, 2026

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Executive Summary

The Office of the Kane County Auditor reviewed Kane County's use of the Menards Rebate Program during Fiscal Year (FY) 2025. Five departments utilized Menards as a vendor, but only three maintained rebate accounts and received rebate checks. The audit found no formal County policy or consistent tracking process for rebate certificates.

Key Findings

- Five departments and elected offices utilized Menards as a vendor during FY 2025.
- No formal policy is established regarding the use or tracking of Menards rebates.
- Only one department maintains an internal tracking system for rebates received.
- Of the five departments using Menards as a vendor, only three have a Menards International account and receive rebate checks.
- During FY 2025, departments redeemed \$1,144.66 in rebate checks.

Conclusion

Overall, the audit determined that Kane County departments are utilizing Menards' Rebate Program without consistent policies or standardized tracking procedures. While rebate certificates provide an opportunity for cost savings, the absence of formal controls increases the risk that rebates may be lost, unredeemed, or improperly applied. Establishing clear guidelines for documentation and redemption will strengthen accountability and ensure rebate funds are used appropriately.

Objective & Scope

Objective

To evaluate the effectiveness of Kane County's use of Menards' Rebate Program (Rebate International) and determine whether departments that participate in the rebate program have established policies and tracking mechanisms for the receipt, redemption, and application of rebate checks.

The Office of the Kane County Auditor will perform the necessary actions to complete the audit under the applicable law of Illinois State Statute 55 ILCS 5/3-1005(i): "Audit the documentation, records, and bases for the amounts to the county, as maintained by county vendors, under agreements between the county and its vendors".

Scope

- Review Menards' transactions for Fiscal Year 2025 (December 2024 – November 2025) using Kane County's New World ERP system.
- Utilize each department's Menard Rebate Program (Rebate International) accounts to review rebate activity associated with fiscal year 2025 purchases.

Analysis

Menards Inc. d/b/a Rebate International Process

The Menards rebate process begins when a purchaser receives a rebate receipt in addition to the standard point-of-sale receipt. A rebate form is printed from the Menards website, completed, and mailed with the rebate receipt(s) to Rebates International, a third-party administrator.

Rebates International calculates the 11% rebate amount, records the rebate in its tracking system, and issues a rebate certificate. Departments and offices have up to one year from the purchase date to submit rebate documentation.

Once issued, rebate certificates generally do not expire and may be redeemed for future purchases at Menards, either in full or in part. When redeemed, the transaction date and amount are recorded in the department's Rebates International account. Lost or stolen rebate certificates may be recoverable through Rebates International.

Fiscal Year 2025 Menards Activity

The following chart illustrates the total number of Menards' invoices submitted by each department/elected office.

Department/Office	Number of Transactions
Building Management	43
Transportation	32
Emergency Management Services	15
County Clerk	6
Sheriff	4
Total	100

The following graph compares the total amount of rebates reflected on County invoices to the total rebates redeemed through Rebates International.

Rebates	Total
Total Rebate Amount Received During FY 2025	\$1,287.47
Total Rebate Amount Redeemed During FY 2025*	\$1,144.66
Total Amount Not Yet Redeemed	\$611.16

**The total rebate amount redeemed during FY 2025, includes rebates checks issued from FY 2024 invoices.*

Internal Controls for Departments

After inquiring with each of the five departments, who purchases from Menards, about internal controls/policies implemented for the usage of Menard's Rebate Program, the following was discovered:

- No formal policy is established regarding the use or tracking of Menards rebates.
- Only two departments maintain an internal tracking system for rebates received.
- Only three of the five departments have a Menards Rebate International account and receive rebate checks.

Recommendations

- 1) A policy should be created that requires departments to record when their rebates are redeemed, where they were redeemed, and who made the initial and redeemed transactions.
- 2) Each department utilizing Menards as a vendor should establish one Rebates International account.
- 3) Where applicable, have the departments reach out to Rebates International regarding checks not yet redeemed that are not in their possession.
- 4) Once received, rebates should be treated as petty cash, in accordance with Kane County Financial Policies.
- 5) The original point-of-sale receipt should also be attached as supporting documentation for accounts payable.

Conclusion

The departments that currently manage the Menards Rebate Program lack formal policies and procedures to ensure that these rebates are used for the benefit of Kane County. Adopting these recommendations may rectify any lack of safeguards and establish accountability.