



**PEORIA COUNTY OFFICE OF THE CIRCUIT CLERK
COUNTY OF PEORIA, ILLINOIS**

MANAGEMENT LETTER

December 31, 2019

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The Honorable Robert Spears
Clerk of the Circuit Court
Peoria County
Peoria, Illinois

In planning and performing our audit of the financial statements of the Peoria County Office of the Circuit Clerk's (Circuit Clerk) Fund as of and for the year ended December 31, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered the Circuit Clerk's internal control over financial reporting (internal control) as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Circuit Clerk's internal control. Accordingly, we do not express an opinion on the effectiveness of the Circuit Clerk's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that are not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control that we considered to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency in the Circuit Clerk's internal control listed on the following pages to be a significant deficiency. [2019-001]

During the audit, we also became aware of the following deficiencies in internal control other than significant deficiencies or material weaknesses, and other matters and opportunities for strengthening internal controls and operating efficiency. [2019-002 and 2019-003]

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with you and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing these recommendations.

The Circuit Clerk's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

This communication is intended solely for the information and use of the management, the County Board and others within the organization.

Sikich LLP

Springfield, Illinois
July 23, 2020

SIGNIFICANT DEFICIENCIES

2019-001 Failure to Assess and Collect Certain Fines

As a result of judicial discretion, the Peoria County Circuit Clerk's office failed to assess and collect certain fines and fees required by the Illinois Compiled Statutes on various cases selected for testing during our audit. The Peoria County court and the Office of the Circuit Clerk should ensure all fines and fees are properly assessed in accordance with the Illinois Compiled Statutes.

Management Response: The Circuit Clerk holds no authority to levy specific fines. Rather, the exaction of fines is a judicial act controlled solely by the trial court and the agents thereof. The court, through signed judgements orders, assesses various fines, and the Clerk is limited to assessing and collecting these fines as provided by the court.

OTHER COMMENTS AND RECOMMENDATIONS

CONTROL DEFICIENCIES

2019-002 Bank Reconciliations

During our review of Circuit Clerk bank reconciliations, we noted the following:

- Two year-end bank reconciliations did not agree to the trial balance. For one of the reconciliations, auditors had to obtain a corrected reconciliation, which was not approved by a reviewer in accordance with the Circuit Clerk's internal control process. We recommend that all bank reconciliations agree back to the trial balance and all amended bank reconciliations are properly reviewed and approved.
- Two accounts had outstanding checks dating back to 2013. Per the Uniform Disposition of Unclaimed Property Act, all unclaimed checks on the County's outstanding check list become unclaimed property after three years. In order to avoid penalties and fines as described in Section 25.5 of the Act, we recommend that all outstanding checks greater than three years are reported and remitted to the State of Illinois Treasurer's Office on an annual basis.
- One Circuit Clerk bank account was not recorded on the Circuit Clerk's trial balance. We recommend that all bank accounts are included in the trial balance provided for the audit.

Management Response: Management will revise internal controls to ensure all future amended and corrected reconciliations approved by the Circuit Clerk in addition to the reviewer in accordance to the Circuit Clerk's internal control process.

The Odyssey Escheatment processing is not yet functional. The outstanding checks in the no longer active Civil and Traffic accounts should have been included in the unclaimed property reporting. These checks have been reissued out of the Criminal account and/or turned over to the State of Illinois.

The Circuit Clerk's office no longer has the need to use the bail account as an account to transfer bail money to the correct bank account. All bail is now deposited into the correct account when it is first recorded into Odyssey and the bank. There are not transfers between the bail accounts and the other bank accounts to account for bail transactions. This account has subsequently been transferred and closed. It has never been included in the Circuit Clerk's trial balance.

OTHER COMMENTS AND RECOMMENDATIONS - CONTINUED

CONTROL DEFICIENCIES – CONTINUED

2019-003 Distribution of Fines and Fees

During the fiscal year, the Peoria County Circuit Clerk’s office failed to timely distribute fines and fees in accordance with the Illinois Compiled Statutes. This occurred twice during the fiscal year due to information technology changes that prevented the office from generating the proper reports to provide to the agencies receiving the distributions. We recommend that the Office of the Circuit Clerk ensure all fines and fees are distributed timely in accordance with the Illinois Compiled Statutes.

Management Response: Changes were made the Peoria County IT department to the “case style format” of new cases entered into our Case Management System. These changes were made in order to enhance the IT departments electronic court initiatives, but the “case style format” was not made to the preexisting cases. These changes were made without the knowledge of all stakeholders; including, but not limited to the Accounting Department of the Circuit Clerk, that could be affected negatively by such changes. The issues created from these external changes prevented the Circuit Clerk’s office from timely disbursing fines and fees from July 2019 until December 4, 2019, when the issue was resolved.