



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

MANAGEMENT LETTER

December 31, 2017

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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) Fiduciary Fund as of and for the year ended December 31, 2017, 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 were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses and a deficiency 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 combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Circuit Clerk's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies listed on the following pages to be material weaknesses in the Circuit Clerk's internal control.

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 listed on the following pages to be a significant deficiency in the Circuit Clerk's internal control.

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
June 27, 2018

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MATERIAL WEAKNESSES

Circuit Clerk Activity Reconciliation

During our testing we noted that the Circuit Clerk did not have proper controls implemented over reconciliations performed over Circuit Clerk activity. Reconciliations should be prepared and reviewed on a timely basis for all accounts to verify transactions have been recorded properly and to discover errors. We recommend all reconciliations be reviewed and documented by an appropriate level of management for accuracy and completeness on a timely basis. The review should include tests of mechanical accuracy and tracing of items on the reconciliation to the relevant source documents. The composition of unreconciled differences should be determined and followed up on, and any journal entries deemed necessary as a result be recorded.

Management Response: The internal control functions of the Circuit Clerk's office historically operated on an informal basis, where reviews and approvals were conducted and granted orally. Various immaterial variances have existed historically, and due to their immaterial nature, resources have not been devoted to their reconciliation. In respect to the audit recommendations, the Circuit Clerk's office will work with the audit team to ensure its review and approval procedures are formally documented in an appropriate manner.

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SIGNIFICANT DEFICIENCIES

Penalty Computation

The Peoria County court and the Circuit Clerk’s office failed to assess and collect certain fines and fees required by the Illinois Compiled Statutes on several cases selected for testing during our audit. The Peoria County 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 judgment orders, assesses various fines, and the Clerk is limited to assessing and collecting these fines as provided by the court. In some situations, the fines were not levied in accordance with Illinois Compiled Statutes prior to receipt by the Circuit Clerk's office. To remedy this, in January of 2018, fee assessment forms for warrants and subpoenas were altered such that fees were hardcoded in composition with Illinois Compiled Statutes to prevent errors by way of manual fee entry.

55 ILCS 5/4-112001.1 Counties Code

Statute requires a fee of \$25 be assessed for serving any summons or \$5 for attempting to serve any summons on each defendant. The courts incorrectly imposed the penalty on the following cases:

<u>Case</u>	<u>Fee per Statute</u>	<u>Actual Assessed</u>
17-CC-00110-1	\$25	\$20
17-CF-00342-1	\$25	\$20
17-CF-00146-1	\$85	\$137
17-CF-00649-1	\$25	\$20
17-CF-00046-1	\$25	\$20
17-CM-00249-1	\$25	\$20
17-CM-00607-1	\$25	\$20
17-TR-01364-1	\$25	\$20

Judicial Discretion

As a result of judicial discretion, the Circuit Clerk’s office failed to assess and collect certain fines and fees required by the Illinois Compiled Statutes on several cases selected for testing during our audit.