

REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Independent Auditors' Report

To the Honorable President and Members of the Board of Commissioners  
Forest Preserve District of Cook County  
Chicago, Illinois

We have audited the financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the Forest Preserve District of Cook County, Illinois, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Forest Preserve District of Cook County's financial statements, and have issued our report thereon dated July 30, 2021. Our report includes a reference to other auditors who audited the financial statements of the Chicago Horticultural Society, the Chicago Zoological Society, the Pension Fund and the Postemployment Group Health Benefit Fund, as described in our report on the Forest Preserve District of Cook County's financial statements. We conducted our audit in accordance with auditing standards generally accepted in the United State of America and the standards applicable to the financial audits contained *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the Pension Fund and the Postemployment Group Health Benefit Fund were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Pension Fund and the Postemployment Group Health Benefit Fund. Additionally, this report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors for the Chicago Horticultural Society and the Chicago Zoological Society.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section 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 have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses that we consider to be material weaknesses and another 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 consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2020-01, 2020-02, and 2020-03 to be material weaknesses.

### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### ***Forest Preserve District of Cook County's Response to Findings***

The District's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### ***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Baker Tilly US, LLP*

Chicago, Illinois  
July 30, 2021

## FOREST PRESERVE DISTRICT OF COOK COUNTY, ILLINOIS

### SCHEDULE OF FINDINGS AND RESPONSES As of and for the Year Ended December 31, 2020

**Finding No.:** 2020-001 – External Financial Reporting

**Criteria:** An internal control structure over external financial reporting is necessary to ensure the proper presentation of the financial statements.

**Condition:** The District does not maintain an external financial reporting department or function, but relies on its audit firm for this purpose.

**Cause/Effect:** The District does not have an external reporting function, but relies upon the auditor for expertise in external financial reporting. External financial statements would not have been presented in accordance with GAAP without reliance on the external auditor. Material adjustments in order to present in accordance with GAAP were found by the auditor. Management is ultimately responsible for the fair presentation of the financial statements.

**Management Response:** Budget constraints has limited the District's ability to hire with expertise in government financial reporting. We feel that this is an acceptable level of risk in that finance staff works closely with the auditors to ensure that the statements are a fair presentation of our financial condition.

## FOREST PRESERVE DISTRICT OF COOK COUNTY, ILLINOIS

### SCHEDULE OF FINDINGS AND RESPONSES As of and for the Year Ended December 31, 2020

**Finding No.:** 2020-002 – Capital Asset Accounting

**Criteria:** An internal control structure over the financial reporting for capital assets should be able to provide an accurate accounting of historical cost and depreciation information of the entity's capital asset inventory.

**Condition:** Management is responsible for maintaining accounting records pertaining to the entity's capital assets for purposes of financial reporting.

**Cause/Effect:** A materially complete capital asset accounting would not have been presented in accordance with GAAP without reliance on the external auditor.

**Management Response:** Staffing constraints has limited the District's ability as assign dedicated staff to assist with capital asset accounting. The District is actively working to hire staff to fill this void. The District works closely with the auditors to ensure that the statements are a fair presentation of our financial condition. For 2022 we intend to assign a dedicated staff person to implement our new financial system to address this finding.

## FOREST PRESERVE DISTRICT OF COOK COUNTY, ILLINOIS

### SCHEDULE OF FINDINGS AND RESPONSES As of and for the Year Ended December 31, 2020

**Finding No.:** 2020-003 – License Fee Revenue

**Criteria:** An internal control structure over external financial reporting is necessary to ensure the proper presentation of the financial statements.

**Condition:** The District does not use a consistent method for recognizing revenues related licensing fees.

**Cause/Effect:** The inconsistent method for recognizing revenues related licensing fees resulted in material errors to license fee revenue, unearned revenue, and receivables. External financial statements would not have been presented in accordance with GAAP without reliance on the external auditor and correcting entries.

**Management Response:** The District will reevaluate its license fee records as well as its recognition of current and future agreements.