THE POWER OF BEING UNDERSTOOD
ASSURANCE | TAX | CONSULTING

Cook County, Illinois

Report to the County President, Board of Commissioners and the Audit Committee
May 29, 2025

RSM US LLP

30 South Wacker Dr., Ste. 3300
Chicago, IL 60606-7481

T +1 312 634 3400
F +1 312 634 3410

www.rsmus.com

May 29, 2025

Members of the County Board of Commissioners, and
The Honorable Bridget Degnen, Chairman, Cook County Audit Committee
Cook County, Illinois
118 North Clark Street, Room 1127
Chicago, IL 60602-1423

We are pleased to present this report related to our 2024 audit of Cook County, Illinois' (the County) financial statements. Our report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the County's financial reporting process.

This report is intended solely for the information and use of the County Board President and County Board of Commissioners, the Audit Committee, and management, and is not intended to be, and should not be, used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to continue to be of service to the County.

RSM US LLP

TABLE OF CONTENTS

Required Communications 1-3

Significant Accounting Estimates 4-6

Appendices

Appendix A—Internal Control and Compliance Matters

Appendix B—Significant Written Communications Between Management and Our Firm - Representation Letter

Appendix C—Recorded Audit Adjustments

REQUIRED COMMUNICATIONS

The following required communications summarize our responsibilities regarding the financial statement audit as well as observations from our audit that are significant and relevant to your responsibility to oversee the financial and related compliance reporting process.

Our Responsibilities

We describe our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States to you in our engagement letter dated January 8, 2025. Our audit of the financial statements does not relieve management or you of your responsibilities, which are also described in that letter.

Planned Scope and Timing of the Audit

We have previously issued a separate communication dated April 22, 2025 regarding the planned scope and timing of our audit and identified significant risks.

Since the issuance of that letter, we have identified one additional significant risk that was tested during the audit relating to payroll expense.

Accounting Policies and Practices

Preferability of Accounting Policies and Practices
Under accounting principles generally accepted in the United States of America, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice.

Adoption of, or Change in, Accounting Policies
Management has the ultimate responsibility for the appropriateness of the accounting policies used by the County. The County did not adopt any significant new accounting policies, nor have there been any changes in existing significant accounting policies during the current period.

Significant Accounting Policies
We did not identify any significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Unusual Transactions
We did not identify any significant unusual transactions.

Management's Judgments and Accounting Estimates
Summary information about the process used by management in formulating particularly sensitive accounting estimates and about our conclusions regarding the reasonableness of those estimates is in the attached Summary of Significant Accounting Estimates.

Audit Adjustments and Uncorrected Misstatements

Audit adjustments, other than those that are clearly trivial, proposed by us and recorded by the County are shown in the attached list of Recorded Audit Adjustments (Appendix C).

Uncorrected misstatements are summarized in the attached list of Uncorrected Misstatements within Appendix B. Uncorrected misstatements or matters underlying them could potentially cause future-period financial statements to be materially misstated, even if we have concluded that the uncorrected misstatements are immaterial to the financial statements under audit.

Departure From the Auditor's Standard Report

Substantial Doubt About the Entity's Ability to Continue as a Going Concern
The financial statements were prepared on the assumption that the County will continue as a going concern. During the audit, we noted the following events or conditions that indicated there could be substantial doubt about the County's ability to continue as a going concern:

- Total net position (deficit) for the County was ($10.3) billion as of November 30, 2024.

We evaluated the events and conditions in the aggregate and concluded that there was not substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

Other Information Included in Annual Reports

Our responsibility for other information included in annual reports is to read the information and consider whether its content or the manner of its presentation is materially inconsistent with the financial information covered by our auditor's report, whether it contains a material misstatement of fact or whether the other information is otherwise misleading. We read the County's Introductory and Statistical Sections. We did not identify material inconsistencies with the audited financial statements.

Observations About the Audit Process

Disagreements With Management
We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit or significant disclosures to be included in the financial statements.

Consultations With Other Accountants
We are not aware of any consultations management had with other accountants about accounting or auditing matters.

Significant Issues Discussed With Management
No significant issues arising from the audit were discussed or were the subject of correspondence with management.

Significant Difficulties Encountered in Performing the Audit
We did not encounter any significant difficulties in dealing with management during the audit.

Significant Matters That Required Consultation
We did not encounter any difficult or contentious matters that required consultation outside the engagement team and that are, in our professional judgment, significant and relevant to your responsibility to oversee the financial reporting process.

Shared Responsibilities for Independence

Independence is a **joint responsibility** and is managed most effectively when management, audit committees (or their equivalents), and audit firms work together in considering compliance with American Institute of Certified Public Accountants (AICPA) and *Government Accountability Office* (GAO) independence rules. For RSM to fulfill its professional responsibility to maintain and monitor independence, management, the audit committee, and RSM each play an important role.

Our Responsibilities

- AICPA and GAO rules require independence both of mind and in appearance when providing audit and other attestation services. RSM is to ensure that the AICPA and GAO's General Requirements for performing non-attest services are adhered to and included in all letters of engagement.
- Maintain a system of quality management over compliance with independence rules and firm policies.

The County's Responsibilities

- Timely inform RSM, before the effective date of transactions or other business changes, of the following:
  - New affiliates, directors, or officers.
  - Changes in the organizational structure or the reporting entity impacting affiliates such as partnerships, related entities, investments, joint ventures, component units, or jointly governed organizations.
- Provide necessary affiliate information such as new or updated structure charts, as well as financial information required to perform materiality calculations needed for making affiliate determinations.
- Understand and conclude on the permissibility, prior to the County and its affiliates, officers, directors, or persons in a decision-making capacity, engaging in business relationships with RSM.
- Not entering into arrangements of nonaudit services resulting in RSM being involved in making management decisions on behalf of the County.
- Not entering into relationships resulting in close family members of RSM covered persons, temporarily or permanently acting as an officer, director, or person in an accounting, financial reporting or compliance oversight role at the County.

Internal Control and Compliance Matters

We have separately communicated significant deficiencies and material weaknesses in internal control and compliance findings over financial reporting identified during our audit of the basic financial statements as required by *Government Auditing Standards*. This communication is attached as Exhibit A.

Significant Written Communications Between Management and Our Firm

Copies of significant written communications between our firm and the management of the County, including the representation letter provided to us by management, are attached as Exhibit B.

SIGNIFICANT ACCOUNTING ESTIMATES

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events, and certain assumptions about future events. You may wish to monitor throughout the year the process used to determine and record these accounting estimates. The following summarizes the significant accounting estimates reflected in the County's November 30, 2024 financial statements.

Significant Accounting Estimates	
Depreciation of Capital Assets	
Accounting policy	The County reports its capital assets at net book value. Donated capital assets are recorded at acquisition value. Depreciation of capital assets is over the estimated useful life of the asset on the straight-line basis.
Management's estimation process	Management establishes estimated useful lives of individual assets based on their expected life and use. Management uses all relevant facts available to them to make the best judgment about useful lives of assets.
Basis for our conclusion on the reasonableness of the estimate	We tested the depreciation calculation and determined it was appropriate. We reviewed the established useful lives of assets and found them to be reasonable.
Self-Insured Risk Liabilities and Expense	
Accounting policy	The County recognizes an estimate of the probable loss for workers' compensation, medical malpractice, liability, employee health and other claims. The accrued liability and expense represent an estimate of the eventual loss on claims including claims incurred but not reported (IBNR). Amounts are reported in governmental activities and business-type activities (and the CCH Fund) based on the nature of the claim.
Management's estimation process	The County's risk management and legal departments provide details of open cases, loss estimates, claims payment activity and other information to the actuary. This data is used by the actuary to estimate the probable liabilities and related expense based on historical trends and other loss factor data. Employee health claim liabilities are estimated based on lag report data. Management reviews and approves the actuarial results.
Basis for our conclusion on the reasonableness of the estimate	We obtained the actuary's report directly from the actuary. We tested certain source data (information on claims and claims payments) provided to the actuary. An RSM actuary reviewed the methods and assumptions used by the County's actuary for reasonableness. We concluded all adjusted estimates were reasonable.

Significant Accounting Estimates	
Net Pension Liability and Total OPEB Liability	
Accounting policy	Net pension liability, total OPEB liability, deferred outflows of resources, deferred inflows of resources and Pension/OPEB expense are reported by the County in accordance with GASB Statements No. 68 (pensions) and No. 75 (OPEB) in governmental activities and business-type activities (and the CCH Fund) based on the proportionate share of each (based on covered payroll for pensions and headcount for OPEB).
Management's estimation process	The County works with the Plan and the actuary to develop reasonable assumptions such as the long-term rate of return on investments, mortality tables, healthcare cost trend rates and assumptions about future cash flows that impact the discount rate projection. County management obtains Schedules of Pension Amounts and OPEB amounts from the Plan's auditor, which is based on the actuary's calculations, to determine the total amounts related to the County.
Basis for our conclusion on the reasonableness of the estimate	We obtained the actuary's pension and OPEB reports and Schedule of Pension/OPEB Amounts directly from the actuary and plan auditor together with confirmation of their independence and objectivity. We also obtained a copy of the employee census data provided to the actuary. On a sample basis, we tested that the census data provided was accurate. An RSM actuary reviewed the methods and assumptions used by the County's actuary. We tested the covered payroll and employee headcount data. We concluded the estimates were reasonable.
Property Tax Objections Liability	
Accounting policy	The County records an estimated liability for future refunds related to property tax objections and other matters in governmental activities and business-type activities (and the CCH Fund).
Management's estimation process	The County assesses historical refund activity by refund type and levy year to estimate the life cycle of refunds for any given levy year. The term of the life cycle is then used to estimate future refunds for levy years in which refunds are still anticipated.
Basis for our conclusion on the reasonableness of the estimate	We reviewed the methodology used and tested the historical tax collection and refund activity and recalculated the estimate. We concluded the estimate was reasonable.
Property Tax Allowance	
Accounting policy	The County reports property tax revenues and receivables net of uncollectible amounts. Each year the County identifies the portion of the property tax levy that is estimated to be uncollectible and records an allowance for uncollectible property taxes.
Management's estimation process	The County estimates the uncollectible percentage of each tax levy each year based on historical tax collection data. Once the provision is determined, it is included for approval in the Annual Appropriation Bill.

Significant Accounting Estimates	
Basis for our conclusion on the reasonableness of the estimate	We tested the data used by management in their calculation and concluded the allowance estimate is reasonable.
Fair Value of Investments	
Accounting policy	The County records its investments in accordance with the provisions of GASB Statement No. 72. Short-term fixed income securities with a final maturity of one year or less from the acquisition date, and investments in the Illinois Funds pool are at cost. Most other investments are at fair value.
Management's estimation process	Fair value is generally provided by the custodian. The County reviews the information received to determine it is reasonable. The County's investments that are not at cost, are valued using a quoted price for an identical security or using matrix pricing. The County does not have Level 3 investments.
Basis for our conclusion on the reasonableness of the estimate	We confirmed the County's investments to verify existence. We used a third-party pricing service to independently determine fair value as of the County's year-end for a sample of investments. We tested fair value estimates and found them to be reasonable.
Housing Loans Allowance	
Accounting policy	The County records loans net of an allowance for uncollectible amounts.
Management's estimation process	The allowance is calculated using a 100% allowance for deferred loans and loans in the non-performing category, and a 75% allowance on the performing loans and new loans.
Basis for our conclusion on the reasonableness of the estimate	We reviewed management's methodology for estimating uncollectible loans and recalculated the allowance in accordance with the policy. We reviewed collections during the year for a sample of loans and determined the associated allowance was appropriate in accordance with the County's policy.
Incremental Borrowing Rate for Leases and Subscriptions	
Accounting policy	Management records leases receivable, lease obligations, and subscription obligations based on the present value of lease receipts (as lessor) or lease payments (as lessee or as subscriber), using an estimated incremental borrowing rate.
Management's estimation process	Management developed a discount rate based on their incremental borrowing rate for recent debt issuances of the County.
Basis for our conclusion on the reasonableness of the estimate	We reviewed the support for the discount rate used by the County and determined it was reasonable.

APPENDIX A

Internal Control and Compliance Matters

RSM

RSM US LLP

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 Auditor's Report

The Honorable Toni Preckwinkle, County Board President
and Members of the County Board of Commissioners
Cook County, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Cook County, Illinois (County), as of and for the year ended November 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated May 29, 2025.

Our report includes a reference to other auditors who audited the financial statements of the discretely presented component units (the Forest Preserve District of Cook County and the Emergency Telephone System Board) and the Clerk of the Circuit Court Custodial Fund, as described in our report on the County's financial statements. This report does not include the Clerk of the Circuit Court Custodial Fund, the Forest Preserve District of Cook County, or the Emergency Telephone System Board that are reported on separately by the auditors who audited the financial statements of the Clerk of the Circuit Court Custodial Fund, the Forest Preserve District of Cook County, and the Emergency Telephone System Board.

The financial statements of the County Employees' and Officers' Annuity and Benefit Fund of Cook County (County Pension Trust Fund and County Post-employment Healthcare Trust 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 compliance and other matters associated with the County Employees' and Officers' Annuity and Benefit Fund of Cook County.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit 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 County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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 described in the accompanying Schedule of Findings on Internal Control over Financial Reporting and Compliance, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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 on Internal Control Over Financial Reporting and Compliance as items 2024-001 through 2024-005 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 deficiencies described in the accompanying Schedule of Findings on Internal Control over Financial Reporting and Compliance as items 2024-006 through 2024-009 to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County'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 financial statements. 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.*

County's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County's responses to the findings identified in our audit and described in the accompanying Schedule of Findings on Internal Control over Financial Reporting and Compliance. The County's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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.

RSM US LLP

Schaumburg, Illinois
May 29, 2025

Cook County, Illinois

Schedule of Findings on Internal Control Over Financial Reporting and Compliance
For the Year Ended November 30, 2024

Finding 2024–001: Inadequate Controls over Capital Asset Additions

Condition followed by Criteria and Cause
Due to insufficient supervisory/management review of capital asset schedules, there were errors detected by the auditors and corrected by management relating to missing construction in progress (CIP) additions. CIP additions were understated by $65.7 million and related government management and supporting services expense was overstated by the same amount within the government-wide financial statements.

In accordance with generally accepted accounting principles, construction in progress assets should be recorded as capital asset additions in the period in which the related capitalizable expense was incurred.

County management indicated the errors were due to oversight.

Effect
The financial statements of the County could be materially misstated by not recording capital asset additions in the proper period. Additionally, lack of sufficient supervisory review of reported balances and supporting documentation could result in future misstatements as well as misstatements that are not identified by the auditors.

Recommendation
To improve the County's year-end financial reporting close process, which includes improving the quality and timeliness of preparing the year-end Annual Comprehensive Financial Report, we recommend County personnel perform periodic reviews throughout the year of capital asset schedules to ensure that all capital asset additions, including those relating to CIP, are recorded in the financial statements.

Management Response
Management agrees with the recommendations and will continue its strategic plan to implement process improvements that will ensure effective County-wide accounting and business systems which are accurate and timely. The plan will include the following:

- restructure and incorporate additional resources in its Financial Reporting and General Accounting areas to enhance accounting and financial reporting processes.

- continue to develop checklists and add multiple levels of review on all year-end workpapers.

Finding 2024–002: Inadequate Controls over Expense Recognition

Condition followed by Criteria and Cause

Due to insufficient supervisory/management review of the trial balances, supporting documents, and schedules relating to expenditures and payables, there were errors detected by the auditors and corrected by management, as noted below:

- Motor fuel fund expense cutoff errors relating to large capital asset projects resulted in an understatement of liabilities and expenses ($3.2 million) in the motor fuel fund and governmental activities.

The following expense cutoff errors noted during the audit were deemed immaterial and not corrected by management:

- General fund expense cutoff errors resulted in missing accruals ($3.1 million) offset by overstated accruals ($3.4 million). The net effect was an overstatement of liabilities and expense ($328 thousand) in the general fund and governmental activities.

- Governmental grant fund expense cutoff errors resulted in an overstatement of expenses ($1.4 million), opening fund balance/net position ($1.1 million) and liabilities ($293 thousand) in the governmental grant fund and governmental activities.

- Additional motor fuel tax fund expense cutoff errors resulted in an understatement of liabilities ($474 thousand) and expenses ($108 thousand), and an overstatement of opening fund balance/net position ($366 thousand) in the motor fuel tax fund and governmental activities.

- Annuity and benefit fund expense cutoff errors resulted in an overstatement of liabilities and expense ($87 thousand) in the annuity and benefit fund and governmental activities.

In accordance with generally accepted accounting principles, expenditures/expenses should be recorded in the period in which they are incurred.

County management indicated the errors were due to oversight.

Effect

The financial statements of the County could be materially misstated by not recording expenses in the proper period. Additionally, lack of sufficient supervisory review of reported balances and supporting documentation could result in future misstatements as well as misstatements that are not identified by the auditors.

Recommendation

To improve the County's year-end financial reporting close process which includes improving the quality and timeliness of preparing the year-end Annual Comprehensive Financial Report, we recommend County personnel perform thorough reviews year-end accounts payable and expense cutoff accounts to ensure that all transactions are recorded in the proper period.

Finding 2024–002: Inadequate Controls over Expense Recognition (continued)

Management Response

Management agrees with the recommendations and will continue its strategic plan to implement process improvements that will ensure effective County-wide accounting and business systems which are accurate and timely. The plan will include the following:

- restructure and incorporate additional resources in its Financial Reporting and General Accounting areas to enhance accounting and financial reporting processes.

- employ quarterly review with department key stakeholders on outstanding unpaid invoices and add multiple levels of review on all year-end workpapers.

- implementation of standardized County-wide accounting and financial reporting procedures. This should result in automation and streamlining of existing manual County-wide accounting and financial reporting processes.

- continue to conduct internal training on accounting and financial reporting processes to identify and implement potential process improvements.

Finding 2024–003: Leases (CCH)

Condition followed by Criteria and Cause
The disclosures associated with operating lease right-of-use assets and related accumulated amortization were overstated by approximately $16.4 million for the year ended November 30, 2024. Additionally, approximately $7.0 million in right-of-use assets and related lease liabilities for the year ended November 30, 2023, were recorded during the year ended November 30, 2024.

The internal controls over financial reporting should be specifically designed to address risks related to financial reporting and consist of controls that are designed to provide reasonable assurance that an organization's financial statements are reliable and prepared in accordance with accounting principles generally accepted in the United States of America.

CCH management indicated existing review and reconciliation procedures in place were not executed effectively to identify the misstatements noted.

Effect
The disclosures associated with operating lease right-of-use assets and related accumulated amortization were adjusted to reduce each balance by approximately $16.4 million for the year ended November 30, 2024. Additionally, approximately $7.0 million in right-of-use assets and related lease liabilities that should have been reported during the year ended November 30, 2023, were recorded during the year ended November 30, 2024.

Recommendation
We recommend that established processes, procedures and internal controls related to lease accounting be reviewed to ensure that account balances and related disclosures are properly reported on an ongoing basis.

Management Response
CCH management will continue to refine its procedures to ensure an adequate review of accounts and proper financial statement presentation.

Finding 2024–004: Transfers In and Capital Contributions from the County (CCH)

Condition followed by Criteria and Cause
Capital contributions and transfers in from the County reported on the statement of revenues, expenses and changes in net position were each misstated by approximately $17 million.

The internal controls over financial reporting should be specifically designed to address risks related to financial reporting and consist of controls that are designed to provide reasonable assurance that an organization's financial statements are reliable and prepared in accordance with accounting principles generally accepted in the United States of America.

CCH management indicated existing review and reconciliation procedures were not executed effectively to identify the misstatement noted.

Effect
A reclassification entry in the amount of approximately $17 million was recorded to decrease capital contributions and increase transfers in from the County to correct the misstatement noted in the condition above.

Recommendation
We recommend that established processes, procedures and internal controls related to capital contributions and interfund transfer activity be reviewed and reconciled in a timely manner to ensure that account balances and disclosures are properly reported at year-end.

Management Response
CCH management will continue to improve its communication and coordination with the County. CCH management will continue to refine its procedures to ensure an adequate review of accounts and proper financial statement presentation.

Finding 2024–005: Patient Service Revenue and Related Receivables (CCH)

Condition followed by Criteria and Cause
Cash payments associated with patient receivables were incorrectly recorded in the financial statements resulting in an understatement of patient service revenue.

The internal controls over financial reporting should be specifically designed to address risks related to financial reporting and consist of controls that are designed to provide reasonable assurance that an organization's financial statements are reliable and prepared in accordance with accounting principles generally accepted in the United States of America.

CCH management indicated the journal entry recorded to reflect this activity was incorrect.

Effect
An audit adjustment was made in the amount of approximately $17.0 million to reclassify cash payments made on patient accounts from accounts payable to patient service revenue.

Recommendation
We recommend that established processes, procedures and internal controls related to patient revenue and related receivables be reviewed in order to ensure that account balances and disclosures are properly reported on an ongoing basis.

Management Response
CCH management will continue to refine its procedures to ensure an adequate review of accounts and proper financial statement presentation.

Finding 2024–006: Inadequate Controls over Interest Receivable

Condition followed by Criteria and Cause
Due to insufficient supervisory/management review of related schedules relating to reimbursable debt interest, there was an error detected by the auditors and corrected by management. The County did not record accrued interest for interest payments not yet reimbursed by the federal government as of year-end. This resulted in an understatement of interest receivable and deferred inflows of resources ($3.5 million) in the debt service fund.

In accordance with generally accepted accounting principles, interest receivable should be accrued at year-end for amounts owed but not yet collected.

County management indicated the errors were due to oversight.

Effect
The financial statements of the County could be materially misstated by not recording interest amounts in the proper period. Additionally, lack of sufficient supervisory review of reported balances and supporting documentation could result in future misstatements as well as misstatements that are not identified by the auditors.

Recommendation
To improve the County's year-end financial reporting close process which includes improving the quality and timeliness of preparing the year-end Annual Comprehensive Financial Report, we recommend County personnel perform thorough reviews of reimbursable debt schedules to ensure that all interest is appropriately accrued and reflected in the financial statements.

Management Response
Management agrees with the recommendations and will continue its strategic plan to implement process improvements that will ensure effective County-wide accounting and business systems which are accurate and timely. The plan will include the following:

- restructure and incorporate additional resources in its Financial Reporting and General Accounting areas to enhance accounting and financial reporting processes.

- continue to develop a receivable checklist and add multiple levels of review on all year-end workpapers.

Finding 2024–007: Third-Party Payor (CCH)

Condition followed by Criteria and Cause
Estimated third-party payor liability balance was overstated by approximately $5.5 million for Provident Hospital as of November 30, 2024.

The internal controls over financial reporting should be specifically designed to address risks related to financial reporting and consist of controls that are designed to provide reasonable assurance that an organization's financial statements are reliable and prepared in accordance with accounting principles generally accepted in the United States of America.

CCH management indicated existing review and reconciliation procedures were not executed effectively to identify the misstatement noted.

Effect
There is an overstatement in the third-party payor liability for Provident Hospital in the amount of approximately $5.5 million that is reflected in the statement of net position as of November 30, 2024.

Recommendation
We recommend that established processes, procedures and internal controls related to third-party payor balances and related disclosures be reviewed to ensure that account balances and disclosures are properly reported on an ongoing basis.

Management Response
CCH management will continue to refine its procedures to ensure an adequate review of accounts and proper financial statement presentation.

Finding 2024–008: Accumulated Depreciation and Depreciation Expense (CCH)

Condition followed by Criteria and Cause
During the audit, we identified certain assets that should have been fully depreciated in a prior period based on the useful life of those assets. In addition, management failed to timely detect a reclassification entry related to depreciation.

The internal controls over financial reporting should be specifically designed to address risks related to financial reporting and consist of controls that are designed to provide reasonable assurance that an organization's financial statements are reliable and prepared in accordance with accounting principles generally accepted in the United States of America.

CCH management indicated existing review and reconciliation procedures in place were not executed effectively to identify the misstatements.

Effect
With respect to the assets that should have been fully depreciated in a prior period, net position at December 1, 2023, was overstated by approximately $7.3 million. In addition, a reclassification entry in the amount of approximately $20 million was made to correct depreciation expense.

Recommendation
We recommend that management review the calculation of depreciation for assets maintained outside of CCH's existing capital asset module to ensure that account balances are properly reported on an ongoing basis. In addition, all journal entries associated with depreciation expense should be reviewed and reconciled to underlying records to ensure that account balances and related disclosures are accurate and complete.

Management Response
CCH management will review the calculations of depreciation for assets maintained outside of CCH fixed assets module. CCH management will continue to refine its procedures to ensure an adequate review of accounts and proper financial statement presentation.

Finding 2024–009: Other Receivables (CCH)

Condition followed by Criteria and Cause
During the audit of other receivables, we selected a sample and identified overstatements in the amounts of approximately $8.6 million.

The internal controls over financial reporting should be specifically designed to address risks related to financial reporting and consist of controls that are designed to provide reasonable assurance that an organization's financial statements are reliable and prepared in accordance with accounting principles generally accepted in the United States of America.

CCH management indicated existing review and reconciliation procedures in place were not executed effectively to identify the misstatement.

Effect
We identified factual misstatements in the amounts of approximately $8.6 million and a projected misstatement of $3.5 million when this error was projected over the untested population.

Recommendation
We recommend that established processes, procedures and internal controls related to the reconciliation of other receivables be reviewed to ensure that account balances and related disclosures are accurate and complete.

Management Response
CCH management will continue to refine its procedures to ensure an adequate review of accounts and proper financial statement presentation.

Cook County, Illinois

Status of Prior Findings
For the Year Ended November 30, 2024

Finding 2023-001: Inadequate Controls over Expense Recognition

County management did not perform sufficient supervisory/management reviews of the trial balances, supporting documents and schedules relating to expenditures and payables.

This finding has been repeated as Finding 2024-001: Inadequate Controls over Expense Recognition.

During the current year, the County continued to have issues recording expenses and related payables in the correct fiscal year.

Finding 2023-002: Inadequate Controls over Revenue Recognition

County management did not perform sufficient supervisory/management reviews of the trial balances, supporting documents and schedules relating to revenues and accounts receivable.

During the current audit, no errors were detected relating to revenue recognition. As a result, this finding is not repeated.

APPENDIX B

Significant Written Communications Between Management and Our Firm

COOK COUNTY
BUREAU OF
FINANCE

Tanya S. Anthony
Chief Financial Officer

(312) 603-4458
Tanya.Anthony@cookcountyil.gov

161 N. Clark Street
Suite 1075
Chicago, Illinois 60601

May 29, 2025

RSM US LLP
30 South Wacker Drive, Suite 3300
Chicago, IL 60606

This representation letter is provided in connection with your audit of the basic financial statements of Cook County, Illinois (the County) as of and for the year ended November 30, 2024 for the purpose of expressing an opinion on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

We confirm, to the best of our knowledge and belief, that as of May 29, 2025:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated January 8, 2025, for the preparation and fair presentation of the financial statements referred to above in accordance with U.S. GAAP.

2. We acknowledge our responsibility for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

3. We acknowledge our responsibility for the design, implementation and maintenance of controls to prevent and detect fraud.

4. The methods, data, and significant assumptions used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in the context of U.S. GAAP, and reflect our judgment based on our knowledge and experience about past and current events, and our assumptions about conditions we expect to exist and courses of action we expect to take.

5. We acknowledge the significant deficit in net position as displayed in the government-wide financial statements. We have considered the need for an optional note disclosure explaining our plans for addressing the deficit over time; however, we have determined that the financial statements are sufficient for external users.

6. Related-party transactions have been recorded in accordance with the economic substance of the transaction and appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP. Types of related party transactions engaged in by the County include:

a. Those with component units for which the County is accountable.

b. Those with other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

c. Interfund transactions, including interfund accounts and advances receivable and payable, sale and purchase transactions, interfund transfers, long-term loans, leasing arrangements and guarantees.

7. Allocations of liabilities to the Cook County Health and Hospital System (CCH) are based on the intention that CCH will ultimately pay those liabilities in future periods. Liabilities that are not expected to be paid by CCH (G.O. Bonds) are not reported in the CCH fund or business-type activities.

8. All funds that meet the quantitative criteria in GASB Statement No. 34; *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, as amended, and No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus—an amendment of GASB Statements No. 21 and No. 34*, for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.

9. The financial statements properly classify all funds and activities in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as amended.

10. The County followed either its established accounting policy regarding which resources (that is, restricted, committed, assigned or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available or followed paragraph 18 of GASB Statement No. 54 to determine the fund balance classifications for financial reporting purposes.

11. The financial statements include all fiduciary activities required by GASB Statement No. 84, *Fiduciary Activities*, as amended.

12. All events subsequent to the date of the financial statements, and for which U.S. GAAP requires adjustment or disclosure, have been adjusted or disclosed.

13. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.

14. Management has followed applicable laws and regulations in adopting, approving and amending budgets.

15. Risk disclosures associated with deposit and investment securities and derivative transactions are presented in accordance with GASB requirements.

16. Provisions for uncollectible receivables have been properly identified and recorded.

17. Capital assets, including infrastructure, intangible assets, and right of use assets are properly capitalized, reported and, if applicable, depreciated and amortized.

18. The County has properly separated information in debt disclosures related to direct borrowings and direct placements of debt from other debt and disclosed any unused lines of credit, collateral

pledged to secure debt, terms in the debt agreements related to significant default or termination events with finance-related consequences and significant subjective acceleration clauses in accordance with GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*.

19. Components of net position (net investment in capital assets, restricted, and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.

20. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.

21. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.

22. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.

23. The County's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and appropriately disclosed and that net position is properly recognized under the policy.

24. The County has disclosed the names of entities with which it has a tax abatement agreement, the total gross amount of taxes abated during the period, the specific taxes that were abated and whether any commitments other than to reduce taxes were made as part of any tax abatement agreement as required by GASB Statement No. 77, *Tax Abatement Disclosures*.

25. The County has disclosed tax abatements entered into by other governments that affect its revenues, including the names of the governments that entered into the agreements, the specified taxes being abated, and the gross dollar amount of taxes abated during the period, as required by GASB Statement No. 77.

26. Leases have been properly identified, recorded and disclosed in accordance with GASB Statement No. 87, *Leases*.

27. Subscription-based information technology arrangements (SBITAs) have been properly identified, recorded and disclosed in accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.

28. In the audit engagement letter dated January 8, 2025, we requested that you perform the nonaudit service of formatting, editing, and production of the financial statements.

    With respect to these services:

    a. We have made all management decisions and performed all management functions;

    b. We assigned an appropriate individual to oversee the services;

    c. We evaluated the adequacy and results of the services performed, and made an informed judgment on the results of the services performed;

d. We have accepted responsibility for the results of the services; and

e. We have accepted responsibility for all significant judgments and decisions that were made.

29. We have no direct or indirect legal or moral obligation for any debt of any organization, public or private, that is not disclosed in the financial statements.

30. To the best of our knowledge, we have complied with all aspects of laws, regulations and provisions of contracts and agreements that would have a material effect on the financial statements in the event of noncompliance. In connection therewith, we specifically represent that we are responsible for determining that we are subject to the requirements of the Single Audit Act because we have received, expended or otherwise been the beneficiary of the required amount of federal awards during the period of this audit. We have engaged Washington, Pittman & McKeever, LLC to perform this engagement.

31. We have reviewed the GASB Statements effective for the fiscal year ending November 30, 2024, and concluded the implementation of the following Statements did not have a material impact on the basic financial statements:
    a. GASB Statement No. 99, *Omnibus 2022*
    b. GASB Statement No. 100, *Accounting Changes and Error Corrections*

32. To the best of our knowledge, we have informed you of all uncorrected misstatements. As of and for the year ended November 30, 2024, we believe that the effects of the uncorrected misstatements aggregated by you and summarized in Schedule A, are quantitatively and qualitatively immaterial, both individually and in the aggregate, to the opinion units of the basic financial statements. For purposes of this representation, we consider items to be material, regardless of their size, if they involve the misstatement or omission of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

33. The County has no arbitrage liability to report within the financial statements as of November 30, 2024.

34. The County has properly disclosed or recognized conduit debt obligations and/or certain arrangements associated with conduit debt obligations in accordance with GASB Statement No. 91, *Conduit Debt Obligations*.

35. We have requested an unsecured electronic copy of the auditor's report and basic financial statements and agree that the auditor's report and basic financial statements will not be modified in any manner.

Information Provided

36. We have provided you with:

    a. Access to all information of which we are aware that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation and other matters.

    b. Additional information that you have requested from us for the purpose of the audit.

c. Unrestricted access to persons within the County from whom you determined it necessary to obtain audit evidence.

d. Minutes of the meetings of the governing board and committees, or summaries of actions of recent meetings for which minutes have not yet been prepared.

37. All transactions have been recorded in the accounting records and are reflected in the basic financial statements.

38. While we have no knowledge that the basic financial statements may be materially misstated as a result of fraud, we have disclosed to you the results of our assessment of risk that the basic financial statements may be materially misstated as a result of fraud.

39. We have no knowledge of allegations of fraud or suspected fraud affecting the County's basic financial statements involving:

    a. Management.

    b. Employees who have significant roles in internal control.

    c. Others where the fraud could have a material effect on the basic financial statements.

40. We have no knowledge of any allegations of fraud or suspected fraud affecting the County's basic financial statements received in communications from employees, former employees, analysts, regulators, or others.

41. We have no knowledge of noncompliance or suspected noncompliance with laws and regulations.

42. We have disclosed to you all known actual or possible litigation, claims or assessments; unasserted claims or assessments that are probable of assertion and must be disclosed in accordance with Government Accounting Standards Board (GASB) Codification Section C50, Claims and Judgments; or other matters, including gain or loss contingencies, whose effects should be considered when preparing the financial statements.

43. We have disclosed to you the identity of all of the County's related parties and all the related-party relationships and transactions of which we are aware.

44. We have informed you of all deficiencies in internal control over financial reporting, including significant deficiencies or material weaknesses, in the design or operation of internal controls that could adversely affect the County's ability to record, process, summarize and report financial data.

45. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

46. It is our responsibility to inform you of all current and potential affiliates of the County as defined by the "State and Local Government Client Affiliates" interpretation (ET sec. 1.224.020). Financial interests in, and other relationships with, affiliates of the County may create threats to independence. We have:

    a. Provided you with all information we are aware of with respect to current and potential affiliates, including degree of influence assessments and materiality assessments.

b. Notified you of all changes to relevant considerations that may impact our determination of the existence of current or potential affiliates involving (i) changes in the determination of the materiality of an entity to the County's financial statements as a whole, (ii) the level of influence the County has over an entity's financial reporting process or (iii) the level of control or influence the County or a potential or current affiliate has over an investee that is not trivial or clearly inconsequential, sufficiently in advance of their effective dates to enable the County and RSM US LLP to identify and eliminate potential impermissible services and relationships between RSM US LLP or its associated entities and those potential affiliates, prior to the effective dates.

c. Made you aware, to the best of our knowledge and belief, of any nonaudit services that the County or any of our affiliates has engaged RSM US LLP or any of its associated entities to perform.

47. We agree with the findings of the specialists in evaluating self-insured liabilities, the net pension liability and the OPEB liability and have adequately considered the qualifications of the specialists in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give instructions, or cause any instructions to be given, to the specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.

48. We believe that the actuarial assumptions and methods used by the actuary for funding purposes and for determining accumulated plan benefits are appropriate in the circumstances. We did not give instructions, or cause any instructions to be given, to the actuary with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the plan's actuary.

49. We believe that the information obtained from the audited financial statements of and other participant information provided by the County Employees' and Officers' Annuity and Benefit Fund of Cook County (Plan) is appropriate in the circumstances. We did not give instructions, or cause any instructions to be given, to the Plan or its auditor in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the Plan or its auditor.

50. To the best of our knowledge, none of our federal programs/projects are impacted by any executive orders signed by President Trump.

51. During the course of your audit, you may have accumulated records containing data that should be reflected in our books and records. All such data have been so reflected. Accordingly, copies of such records in your possession are no longer needed by us.

Supplementary Information

52. With respect to supplementary information presented in relation to the basic financial statements as a whole:

    a. We acknowledge our responsibility for the presentation of such information.

    b. We believe such information, including its form and content, is fairly presented in accordance with U.S. GAAP.

    c. The methods of measurement or presentation have not changed from those used in the prior period.

d. When supplementary information is not presented with the audited basic financial statements, we will make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance of the supplementary information and the auditor's report thereon.

53. With respect to the Required Supplementary Information as listed in the table of contents, presented as required by GASB to supplement the basic financial statements:

    a. We acknowledge our responsibility for the presentation of such required supplementary information.

    b. We believe such required supplementary information is measured and presented in accordance with guidelines prescribed by U.S. GAAP.

    c. The methods of measurement or presentation have not changed from those used in the prior period.

Compliance Considerations

In connection with your audit conducted in accordance with *Government Auditing Standards*, we confirm that management:

54. Is responsible for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework.

55. Is responsible for compliance with the laws, regulations and provisions of contracts and grant agreements applicable to the County.

56. Is not aware of any instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements.

57. Is responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

58. Acknowledges its responsibility for the design, implementation and maintenance of controls to prevent and detect fraud.

59. Has taken timely and appropriate steps to remedy identified or suspected fraud or noncompliance with provisions of laws, regulations, contracts, and grant agreements that the auditor reports.

60. Has a process to track the status of audit findings and recommendations.

61. Has identified for the auditor previous audits, attestation engagements and other studies related to the objectives of the audit and whether related recommendations have been implemented.

62. Has identified for the auditor any investigations or legal proceedings that have been initiated with respect to the period under audit.

63. Has provided views on the auditor's reported findings, conclusions and recommendations, as well as management's planned corrective actions, for the report.

Cook County, Illinois

Signed by:
Toni Preckwinkle
AE682BD33F4C463...

Toni Preckwinkle
Chief Executive Officer

DocuSigned by:
Tanya Anthony
C40D08DB7AD8408...

Tanya S. Anthony
Chief Financial Officer

Schedule A
Cook County
Summary of Uncorrected Misstatements
For the Year Ended November 30, 2024

Governmental Activities

Description	Assets	Liabilities	Debit (Credit) Net Position	Revenue	Expenses
Carryover impact from previous year	$ -	$ -	$ (6,768,418)	$ (146,383)	$ 6,914,801
Current Year Misstatements					
Correct accounts payable and expense cutoff errors	-	234,192	1,484,498	-	(1,718,690)
Correct undestatement of self insurance liability allocation	-	(5,795,280)	-	-	5,795,280
Correct understatement of subscription asset and liability	1,557,174	(1,557,174)	-	(1,560,254)	1,560,254
Correct error in self insurance reserves	-	(2,000,000)	-	-	2,000,000
	$ 1,557,174	**$ (9,118,262)**	(5,283,920)	**$ (1,706,637)**	**$ 14,551,645**
Effect of current year uncorrected misstatements on net position			12,845,008		
Total			**$ 7,561,088**		

Passed Classification Errors
Capital assets recorded in CIP that should have been placed into service for $31,858,103.

Business-Type Activities and Enterprise Fund (CCH)

Description	Assets	Liabilities	Debit (Credit) Net Position	Revenue	Expenses
Carryover impact from previous year	$ -	$ -	$ 3,126,617	$ -	$ (3,126,617)
Current Year Misstatements					
Correct understatement of asset retirement obligation	-	(2,142,032)	-	-	2,142,032
Correct overstatement of deferred revenue	-	4,711,039	(4,711,039)		
Correct overstatement of depreciation	(6,773,184)	-	7,324,227	-	(551,043)
Correct overstatement of self insurance liability allocation	-	5,795,280	-	-	(5,795,280)
Correct overstatement of directed payment receivables	(5,830,743)	-	-	5,830,743	-
Correct missing lease additions	-	-	222,836	-	(222,836)
	$ (12,603,927)	**$ 8,364,287**	5,962,641	**$ 5,830,743**	**$ (7,553,744)**
Effect of current year uncorrected misstatements on net position			(1,723,001)		
Total			**$ 4,239,640**		

Passed Classification Errors
Other receivables should have been recorded as cash for $12,069,766.

General Fund

Description	Assets	Liabilities	Debit (Credit) Fund Balance	Revenue	Expenditures
Carryover impact from previous year	$ -	$ -	$ (6,161,262)	$ 1,386,228	$ 4,775,034
Current Year Misstatements					
Correct accounts payable and expense cutoff errors	-	327,620	-	-	(327,620)
Correct lease entries due to incorrect discount rate used	-	-	-	(1,560,254)	1,560,254
	$ -	**$ 327,620**	(6,161,262)	**$ (174,026)**	**$ 6,007,668**
Effect of current year uncorrected misstatements on fund balance			5,833,642		
Total			**$ (327,620)**		

Passed Classification Errors
Payments to the governemental grant fund above matching requirements are classified as expenses instead of transfers out ($1,562,983).

Motor Fuel Tax Fund

Description	Assets	Liabilities	Debit (Credit) Fund Balance	Revenue	Expenditures
Carryover impact from previous year	$ -	$ -	$ (168,226)	$ -	$ 168,226
Current Year Misstatements					
Correct accounts payable and expense cutoff errors	-	(474,306)	366,635	-	107,671
	$ -	**$ (474,306)**	198,409	**$ -**	**$ 275,897**
Effect of current year uncorrected misstatements on fund balance			275,897		
Total			**$ 474,306**		

Annuity and Benefit Fund

Description	Assets	Liabilities	Debit (Credit) Fund Balance	Revenue	Expenditures
Carryover impact from previous year	$ -	$ -	$ -	$ -	$ -
Current Year Misstatements					
Correct accounts payable and expense cutoff errors	-	87,493	-	-	(87,493)
	$ -	**$ 87,493**	-	**$ -**	**$ (87,493)**
Effect of current year uncorrected misstatements on fund balance			(87,493)		
Total			**$ (87,493)**		

Governmental Grants Fund

Description	Assets	Liabilities	Debit (Credit) Fund Balance	Revenue	Expenditures
Carryover impact from previous year	$ -	$ -	$ (438,930)	$ (1,532,611)	$ 1,971,541
Current Year Misstatements					
Correct accounts payable and expense cutoff errors	-	293,385	1,117,863	-	(1,411,248)
	$ -	**$ 293,385**	678,933	**$ (1,532,611)**	**$ 560,293**
Effect of current year uncorrected misstatements on fund balance			(972,318)		
Total			**$ (293,385)**		

Passed Classification Errors
Payments received from the general fund above matching requirements are classified as revenues instead of transfers in ($1,562,983).

Aggregate NonMajor Funds

Description	Assets	Liabilities	Debit (Credit) Net Position/ Fund Balance	Revenue	Expenses/ Expenditures
Carryover impact from previous year	$ -	$ -	$ -	$ -	$ -
Current Year Misstatements					
Correct overstatement of expenses for prior year liability	-	-	15,053,486	-	(15,053,486)
	$ -	**$ -**	15,053,486	**$ -**	**$ (15,053,486)**
Effect of current year uncorrected misstatements on net position/fund balance			(15,053,486)		
Total			**$ -**		

APPENDIX C

Recorded Audit Adjustments

Cook County CFO/Treasurer
Year End: November 30, 2024
Corrected Misstatements

Number	Name	Account No	Debit	Credit
AUD #01	Unearned Revenue - Grants	11286-0000-202021 SRF41E		(363,025)
AUD #01	Now Accounts	11286-0000-405020 SRF41E	363,025	
	Auditor proposed adjusting entry recorded by management to remove the double booked unearned & revenue balance related to FY24 retainage.			
AUD #02	Accrued Accounts Payable	11300-1500-200018 SRF01	454,296	
AUD #02	Contractual-Base Fee	11300-1500-560310 SRF01		(454,296)
AUD #02	Due From Other Governments	11900-1500-111011 SRF41A	454,296	
AUD #02	Accrued Accounts Payable	11900-1500-200018 SRF41A		(454,296)
AUD #02	Deferred Inflow of Resources	11900-1500-202981 SRF41A		(454,296)
AUD #02	Non-Capitalizable/Streets and Roadways	11900-1500-521537 SRF41A	454,296	
	Auditor proposed adjusting entry recorded by management to correct retainage fund number, including adjustment to AR/Deferred inflow.			
AUD #03	Accrued Interest Receivable	11659-0000-110811 1659	3,172,636	
AUD #03	Deferred Inflow of Resources	11659-0000-202981 1659		(3,172,636)
AUD #03	Accrued Interest Receivable	11673-0000-110811 1673	366,138	
AUD #03	Deferred Inflow of Resources	11673-0000-202981 1673		(366,138)
	Auditor proposed adjusting entry recorded by management to record accrued interest receivable and deferred inflow of resources for Series 2009B, 2010D, and 2013 Sales Tax Revenue Bonds.			
AUD #04	Accounts Payable Trade	11300-0000-200011 SRF01		(3,230,461)
AUD #04	Non-Capitalizable/Streets and Roadways	11300-1500-521537 SRF01	2,975,476	
AUD #04	Wkng Cap-Maintenance of Data Processing Equip.	11300-1500-540136 SRF01	254,985	
	Auditor proposed adjusting entry recorded by management for misstatements identified as a result of subsequent disbursement testing not covered by the County's Estimate.			
AUD #05	Construction in progress	34.1502 G34G	65,716,144	
AUD #05	Capital asset additions and depreciation - GMS	34.8021 G34G		(65,716,144)
	Auditor proposed adjusting entry recorded by management to record CIP additions that were not properly recorded by the County via its Roll-Forward and GASB 34 entries.			
CCH AJE #01	Patient Receivable - Accrued/Rev	111426 JSH	4,731,886	
	Patient Receivable - Accrued/Rev	111426 JSH		(7,767,731)
	Patient Credit Balance	200032 JSH	19,987,605	
	Inpatient Adjustment	409768 JSH		(4,750,079)
	Inpatient Adjustment	409768 JSH		(10,931,927)
	Outpatient Adjustment	409770 JSH	18,194	
	Outpatient Adjustment	409770 JSH		(1,287,948)
	Auditor proposed adjusting entry recorded by management to reverse incorrect revenue accrual at year-end and record the correct revenue accrual and recognize patient payments that led to credit balances in revenue.			
CCH AJE #02	Medical Equip Rental Expense	550081 JSH	20,618,078	
	Amortization Expense - Lease	568501 JSH		(20,618,078)
	Auditor proposed adjusting entry recorded by management to adjust amortization expense to the proper classification in the financial statements.			
CCH AJE #03	Operating Transfer Out	801420 CC	16,698,539	
	Operating Transfer In	801004 JSH		(16,698,539)
	Auditor proposed adjusting entry recorded by management to reclassify capital contributions to transfers in.			