

OFFICE OF THE CLERK OF THE CIRCUIT COURT OF COOK COUNTY

September 26, 2018

Honorable John P. Daley
Chairman, Audit Committee
118 North Clark Street Room 3 ½
Chicago, Illinois 60602

Dear Chairman Daley:

Pursuant to your letter dated September 13, 2018, regarding the Independent Auditor's Report of the Financial Statements of the Clerk of the Circuit Court, below please find responses from the Office of the Clerk of the Circuit Court for the information requested therein:

Question:

1. Please explain the \$824,284 in uncollectable receivables listed on page 10 of the report. This number is significantly higher than the \$242,634 allowance for uncollectible receivables reported by your office last year. Is any of this outstanding revenue related to the \$30 million dollars in outstanding traffic debt that was highlighted in the County Auditor's Circuit Court Revenue Process Audit?

Answer:

- *The \$824,284 in uncollectable receivables is a combination of uncollectible returned checks (\$487,289), and indigent billing (\$336,995). During an evaluation performed by our independent auditors of the collectability of the indigent billing accounts receivable it was determined that an adjustment to increase the allowance was needed to provide for receivables aged older than 5 years. The review was based on the length of time the receivables were outstanding, the payor category and historical experience.*
- *No, the uncollectable receivables are unrelated to the \$30 million dollars in outstanding traffic debt highlighted in the County Auditor's Circuit Court Revenue Process Audit.*

Question:

2. Can you provide an update on the status of the corrective actions being taken in regards to the County Auditor's report?

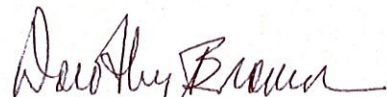
Answer:

The following corrective actions have been taken or are in progress to address the collection of the \$30 million dollars in outstanding traffic debt:

- **The Clerk of the Circuit Court Technology and Innovations Department continues to mail out post cards notifying customers who owe traffic debt that a request will be forwarded to the Secretary of State to place a lien on their driver's license until payment is made.**
- **The Clerk of the Circuit Court Accounting Department continues to work with the countywide collection agencies who have collected an additional \$10.2 million dollars subsequent to the Fiscal Year 2015 audit, including \$41,900 collected through wage garnishments.**
- **Since Fiscal Year 2015 a total of \$4.8 million has been collected through the Local Debt Recovery Program. An updated list of delinquent accounts (aged 2-7 years) are referred to the Illinois Comptroller's Local Debt Recovery Program at the beginning of each year. Any debt over 7 years is returned to the countywide collection agencies who continue to try to collect the debt.**
- **The Clerk of the Circuit Court Accounting Department has collected \$492,500 from its annual Amnesty weeks held twice a year.**
- **Our Legal Services Department ("Legal Services") has worked together with the Accounting Department to create a new collection letter. Legal Services will issue the letter under their letterhead notifying customers of the impending late penalty fees for delinquent payments and that failure to make payment will result in the debt being submitted to a collection agency. The letter also informs customers who are delinquent in paying that they will be responsible for any attorney's fees that are incurred in the collection process. The letter is scheduled to be issued to customers by October 1, 2018. This letter will help to increase collections.**

If you have any questions or need additional information, please contact Ms. Phyllis Adams, Chief Financial Officer/Comptroller at 312-603-5044 or me at 312-603-5071.

Sincerely,



Dorothy Brown
Clerk of the Circuit Court

cc: Honorable Toni Preckwinkle
Board of Commissioners
Wasiu Fashina, Chief of Staff, Clerk of the Circuit Court