

**VILLAGE OF LINCOLNSHIRE, ILLINOIS**

MANAGEMENT LETTER

December 31, 2016





630.566.8400 // [www.sikich.com](http://www.sikich.com)

1415 W. Diehl Road, Suite 400  
Naperville, Illinois 60563

**Certified Public Accountants & Advisors**  
*Members of American Institute of Certified Public Accountants*

The Honorable Village Mayor  
Members of the Board of Trustees  
Village of Lincolnshire, Illinois

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Lincolnshire, Illinois (the Village) as of and for the year ended December 31, 2016, in accordance with auditing standards generally accepted in the United States of America, we considered the Village'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 the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village'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 significant deficiencies. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

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 Village's financial statements will not be prevented, or detected and corrected on a timely basis.

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.

This report is intended solely for the information and use of the Board of Trustees, management and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

*Sikich LLP*

Naperville, Illinois  
May 24, 2017

## **SIGNIFICANT DEFICIENCY**

### **Police Department Cash Receipts**

During our review of the Police department cash receipt process, we noted the procedures for recording, controlling, processing and collecting parking ticket payments is outdated and lacks oversight. We recommend the Police implement daily and weekly reporting for tickets to ensure an adequate audit trail, and reconcile reports to deposits to improve tracking of cash receipts.