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Board of Trustees and Management  
Village of Alsip, Illinois  
Alsip, 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 Alsip, Illinois (the "Village") as of and for the year ended April 30, 2014, in accordance with auditing standards generally accepted in the United States of America, we considered the entity'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 entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the entity'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. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to fraud or error may occur and not be detected by such controls. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness.

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.

#### **Material weakness**

The following material weakness was identified and communicated in a prior period; remedial action has not yet been taken.

#### ***Preparation of financial statements and material audit adjustments***

The Village has historically engaged CliftonLarsonAllen LLP (CLA) to assist it in preparing its financial statements and accompanying disclosures as well as proposing certain journal entries related to adjusting the Village's financial statements from a cash basis to a modified accrual basis or to an accrual basis, as necessary. This has been done both as a matter of convenience for management in completing the year-end financial work as well as to ensure that the reports are presented in compliance with current reporting standards and that all disclosures are complete and accurate. The financial statement preparation process is part of the internal control system for the Village. However, in smaller operations such as the Village, where budgetary constraints prohibit the hiring of additional personnel with an up-to-date understanding of all of the recent accounting pronouncements, existing financial personnel may not be able to perform this function with the same high level of assurance. As such, CLA will continue to provide this service to the Village as part of the year-end financial audit. However, we wish to remind you that as your auditors we are not part of your internal control system and that a lack of internal control processes related to the financial statement preparation could lead to inaccurate financial reporting.



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**Other matters**

During our audit, we became aware of other matters that are opportunities to strengthen your internal control and improve the efficiency of your operations. While the nature and magnitude of the other deficiencies in internal control were not considered important enough to merit the attention of the board of trustees, they are considered of sufficient importance to merit management’s attention and are included herein to provide a single, comprehensive communication for both those charged with governance and management.

***Information system technology***

As the Village installs and implements its new information technology and accounting system, we recommend that management develop a written policies and procedures manual related to the system. This will establish guidelines for users and develop an environment of control in the IT area. Proper policies should also include removing users’ rights from the system once the user is no longer employed by the Village.

This communication is intended solely for the information and use of management, the board of trustees, and others within the entity, and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Oak Brook, Illinois  
October 24, 2014