

UNION COUNTY GOVERNMENT
INDEPENDENT ACCOUNTANTS' REPORT
COST STUDY OF SHERIFF'S
FEES UNDER
55 ILCS 5/4 - 5001



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**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Union County Government
309 W. Market Street
Union County Courthouse
Jonesboro, IL 62952

Dear Board Members,

We have performed the procedures enumerated below, which were agreed to by Union County Board of Commissioners, solely to assist you with respect to the cost of serving (1) one civil service document and the cost of processing (1) one inmate bond in the Union County Sheriff's Department. Union County Government's management is responsible for the entity's accounting records and employee records. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and in compliance with OMB Circular A-87. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

PROCEDURES AND FINDINGS FOR CIVIL SERVICE FEES:

Procedure:

We requested the employees involved in the Union County Sheriff's civil process function collect data identifying their time spent on providing civil process functions.

Finding:

The Union County Sheriff's employees involved in the civil process function provided us with the requested information concerning the employees' time spent on the civil process function.

Procedure:

We reviewed and analyzed the data collected regarding costs of providing the civil process function.

Finding:

The review and analysis of the data collected produced a cost per civil process document.

Procedure:

We reviewed the applicable state statutes that disclose allowable fees for the Union County Sheriff's Department.

Finding:

We found that 55 ILCS 5/4-5001 listed \$10 per civil process document as the allowable charge unless a cost study was performed in accordance with OMB Circular A-87 and that study showed a cost of greater than \$10 per document to perform civil process functions.

Procedure:

We obtained and reviewed overhead costs associated with the civil process function.

Finding:

Building overhead costs were allocated on the basis of square footage used by the civil process function as compared to the total square footage of the new Union County Sheriff's Department in the new Courthouse.

Procedure:

We inquired as to when the current fees were last reviewed.

Finding:

A previous cost study was performed in 2010. The cost study was conducted in accordance with OMB Circular A-87.

Procedure:

We inquired about the number of civil processing documents being processed annually by the Union County Sheriff's Department.

Finding:

For the year ending November 30, 2012, the Union County Sheriff's Department will process approximately 1,700 civil process documents.

Procedure:

We reviewed the time summaries for all employees involved with providing civil process function and inquired as to the allocable time percentage for each employee.

Finding:

Upon inquiry, the Union County Sheriff's Department provided us with estimates the individual employees' percentages of time allocated to the civil process function.

Procedure:

We requested the cost of the equipment used in the Union County Sheriff's civil process function.

Finding:

We were able to obtain the cost of the equipment used in the Union County Sheriff's civil process function.

Procedure:

We requested the fringe benefit costs of all employees providing civil process functions.

Finding:

We were able to obtain the fringe benefit costs of all employees providing civil process functions.

Procedure:

We requested that the Union County Sheriff's Department provide us with the cost of material used specifically for the civil process function.

Finding:

We were able to obtain the cost of material used specifically for the civil process function.

Procedure:

We inquired of other County Sheriffs' offices in the immediate vicinity about their respective fees for civil process.

Finding:

We found that the fees for similar civil process functions ranged from \$15 to \$52.

Procedure:

We reviewed all information supplied the by the Union County Sheriff's Department in order to determine the cost of serving (1) civil process document.

Findings:

After review of all information supplied by the Union County Sheriff's Department, it appears that the Union County Sheriff's Department currently charges a fee of \$45.00 per document.

The calculated cost of the Union County Sheriff's Department processing (1) civil service document is \$70.84. This represents a difference of \$25.84. The estimated number of billable civil service documents delivered for the years examined was 1,200 documents per year. The average increase of \$25.84 per civil service document delivered would total \$31,008 of increased fees based on the average number of 1,200 billable civil service documents served per year.

Procedure:

We completed the requested cost study in accordance with OMB Circular A-87. More specifically, we:

- 1) We examined the current fee structure for the civil process function.
- 2) We contacted ten bordering and/or surrounding counties and requested civil process fee information.
- 3) We requested and received the number of civil process documents served annually during the fiscal years ended November 30, 2011 and year to date for the fiscal year ending November 30, 2012 from the Union County Sheriff's Office.
- 4) We reviewed 55 ILCS 5/4-5001 for the statutory provisions of adjusting fees with an acceptable cost study.
- 5) We reviewed OMB Circular A-87 for the guidelines of an acceptable cost study.
- 6) We reviewed other documentation obtained from outside sources concerning fees based on price and/or cost.
- 7) We requested and received information on the total square footage of the new Union County Sheriff's Department from the project manager over the new Courthouse. The square footage for the Sheriff's Department in the new Courthouse was also reviewed with the office manager of the Sheriff's Department.
- 8) Based on information we received, we documented the square footage of the area used for the civil process function.
- 9) We requested and received for the fiscal year ending November 30, 2012, salary information on the employees performing the civil process function from the Union County Sheriff's Department.

- 10) We requested and received information concerning employees' time allocated to the civil process function from the Union County Sheriff's Department.
- 11) We requested and received, for the fiscal year ending November 30, 2012, information regarding postage expense incurred for the civil process function.
- 12) We examined general ledger detail for the fiscal year ending November 30, 2012 for information regarding office supplies expense in the civil process function.
- 13) We requested and received for the fiscal year ending November 30, 2012, information regarding the allocation of office supplies and postage for the civil process function from the Union County Sheriff's Department's employees.
- 14) Based on the square footage calculation, we computed the allocable amount of depreciation expense and bond interest expense on the new building for the civil process function.
- 15) We examined an equipment schedule for equipment used during the civil process function.
- 1) We requested and received, for the fiscal year ending November 30, 2012, information regarding the utility and water usage of the Union County Sheriff's Department from the Union County Treasurer's office. We also requested the projected utility costs of the new building from the project manager.
- 16) Based on the square footage calculation, we computed the allocable amount of utility and water usage for the square footage used for the civil process function.
- 17) Based on information received for the fiscal year ending November 30, 2012, we computed the allocable amount of salaries to the civil process function.
- 18) We requested and received for the fiscal year ending November 30, 2012, information on premiums for health insurance, IMRF, and other fringe benefits for employees performing the civil process function from the Union County Clerk.
- 19) Based on information provided by the Union County Clerk's Office, we computed the allocable amount of fringe benefits to the civil process function.

- 20) We inquired for the fiscal year ending November 30, 2012, as to the source and dollar amount for premiums and payments for Workman's Compensation and Liability Insurance coverage for the County.
- 21) Based on the current number of employees employed by the County, we computed the allocable amount of Workman's Compensation and Liability Insurance premiums and payments for employees performing the civil process function.
- 22) Based on budgeted expenses to total expenses, we computed the allocable amount of annual audit fees for the civil process function.
- 23) Based on information obtained from the Union County Sheriff's Department, we computed the allocable amount of fax, telephone and internet expenses to the civil process function.
- 24) We requested and received for the fiscal year ending November 30, 2012, information from the Union County Clerk's office regarding the operating expenses of the Sheriff's Department.
- 25) Based on the square footage calculation, we calculated the allocable amount of the Sheriff's Department operating expenses to the civil process function.
- 26) Based on information obtained we computed the costs incurred with processing one civil process document.

Findings:

After review of all information supplied by the Union County Sheriff's Department, it appears that the Union County Sheriff's Department currently charges a fee of \$45.00 per document. The calculated cost of the Union County Sheriff's Department processing (1) civil service document is \$70.84. This represents a difference of \$25.84. The estimated number of billable civil service documents delivered for the years examined was 1,200 documents per year. The average increase of \$25.84 per civil service document delivered would total \$31,008 of increased fees based on the average number of 1,200 billable civil service documents served per year

PROCEDURES AND FINDINGS FOR INMATE BOND PROCESSING FEES:

Procedure:

We requested the employees involved in the Union County Sheriff's inmate bond processing collect data indentifying their time spent on providing inmate bond functions.

Finding:

The Union County Sheriff's Department's employees involved in the inmate bond processing function provided us with the requested information concerning the time spent by employees on the inmate bond processing function.

Procedure:

We reviewed and analyzed the data collected regarding the inmate bond processing function.

Finding:

The review and analysis of the data collected produced a cost per inmate bond processed.

Procedure:

We reviewed the applicable state statutes that disclose allowable fees for the Union County Sheriff's Department.

Finding:

We found that 55 ILCS 5/4-5001 listed \$1 per inmate bond processed as the allowable charge unless a cost study was performed in accordance with OMB Circular A-87 and that study showed a cost of greater than \$1 per document to perform inmate bond processing.

Procedure:

We obtained and reviewed building overhead costs associated with the inmate bond processing function.

Finding:

Building overhead costs were allocated on the basis of square footage used by the inmate bond processing function as compared to the total square footage of the Union County Sheriff's Department.

Procedure:

We inquired as to when the current fees were last reviewed.

Finding:

A previous cost study was performed in 2010. The cost study was conducted in accordance with OMB Circular A-87.

Procedure:

We inquired about the number of inmate bonds being processed annually by the Union County Sheriff's Department.

Finding:

For the year ended November 30, 2011, the Union County Sheriff's Department processed 786 inmate bonds.

Procedure:

We requested information for all employees involved with providing the inmate bond processing function and inquired as to the allocable time percentage for each employee.

Finding:

Upon inquiry, the Union County Sheriff's Department provided us with estimates of the individual employees' percentages of time allocated to the inmate bond processing function.

Procedure:

We requested the cost of the equipment used in the Union County Sheriff's Department's inmate bond processing function.

Finding:

We were able to obtain the cost of the equipment used in the Union County Sheriff's Department's inmate bond processing function.

Procedure:

We requested the fringe benefit costs for all employees providing inmate bond functions.

Finding:

We were able to obtain the fringe benefit costs for all employees providing inmate bond processing functions.

Procedure:

We requested that the Union County Sheriff's Department provide us with the cost of material used specifically for the inmate bond processing function.

Finding:

We were able to obtain the cost of materials used specifically for the inmate bond processing function.

Procedure:

We inquired of other County Sheriffs' offices in the immediate vicinity about their respective fees for inmate bond processing.

Finding:

We found that the majority some of the surrounding counties currently do charge an inmate bond processing fee.

Procedure:

We reviewed all information supplied the by the Union County Sheriff's Department in order to determine the cost of processing (1) inmate bond.

Findings:

After review of all information supplied by the Union County Sheriff's Department, it appears that the Union County Sheriff currently charges a base fee of \$50.00 for inmate bond processing. The calculated cost of the Union County Sheriff's Department processing (1) inmate bond is \$207.21. This represents a difference of \$157.21 per inmate bond processed by the Union County Sheriff's Department. The number of inmate bonds processed for the years examined was 786 bonds per year. The increase of \$157.21 per inmate bond processed would total \$123,567.06 of increased fees based on 786 inmate bonds processed per year.

Procedure:

We completed the requested cost study in accordance with OMB Circular A-87. More specifically, we:

- 2) We examined the current fee structure for the inmate bond processing function.
- 3) We contacted ten bordering and/or surrounding counties and requested inmate bond processing fee information.
- 4) We requested and received the number of inmate bond documents processed annually during the fiscal year ended November 30, 2011 from the Union County Sheriff's Department.
- 5) We reviewed 55 ILCS 5/4-5001 for the statutory provisions of adjusting fees with an acceptable cost study.
- 6) We reviewed OMB Circular A-87 for the guidelines of an acceptable cost study.
- 7) We reviewed other documentation obtained from outside sources concerning fees based on price and/or cost.
- 8) We requested and received information on the total square footage of the Sheriff's Department in the new Courthouse from the project manager. We also reviewed the square footage of the Sheriff's Department in the new Courthouse with the office manager.

- 9) Based on information we received, we documented the square footage of the area used for the inmate bond processing function.
- 10) We requested and received for the fiscal year ending November 30, 2012, salary information on the employees performing the inmate bond processing function from the Union County Sheriff's Department.
- 11) We requested and received information concerning employees' time allocated to the inmate bond processing function from the Union County Sheriff's Department.
- 12) We requested and received, for the fiscal year ending November 30, 2012, information regarding postage expense incurred for the inmate bond processing function.
- 13) We examined general ledger detail for the fiscal year ending November 30, 2012 for information regarding office supplies expense in the inmate bond processing function.
- 14) We requested and received for the fiscal year ending November 30, 2012, information regarding the allocation of office supplies and postage for the inmate bond processing functions from the Union County Sheriff's employees.
- 15) Based on the square footage calculation, we computed the allocable amount of depreciation expense and bond interest expense on the new building for the inmate bond processing function.
- 16) We examined an equipment schedule for equipment used during the inmate bond processing function.
- 17) We requested and received for the fiscal year ending November 30, 2012, information regarding the utility and water usage of the Sheriff's Department from the Union County Treasurer's office. We also requested the projected utility costs of the new building from the project manager.
- 18) Based on the square footage calculation, we computed the allocable amount of utility and water usage for the square footage used for the inmate bond processing function.
- 19) Based on information received for the fiscal year ending November 30, 2012, we computed the allocable amount of salaries to the inmate bond processing function.

- 20) We requested and received for the fiscal year ending November 30, 2012, information on premiums for health insurance, IMRF, and other fringe benefits for employees performing the inmate bond processing function from the Union County Clerk.
- 21) Based on information provided by the Union County Sheriff's Department, we computed the allocable amount of fringe benefits to the inmate bond processing function.
- 22) We inquired for the fiscal year ending November 30, 2012, as to the source and the dollar amount of premiums and payments for Workman's Compensation and Liability Insurance coverage for the County.
- 23) Based on the number of current employees employed by the County, we computed the allocable amount of Workman's Compensation and Liability Insurance premiums and payments for employees performing the inmate bond processing function.
- 24) Based on budgeted expenses to total expenses, we computed the allocable amount of annual audit fees for the inmate bond processing function.
- 25) Based on information obtained from the Union County Sheriff's Department, we computed the allocable amount of fax, telephone and internet expenses to the inmate bond processing function.
- 26) We requested and received for the fiscal year ending November 30, 2012, information from the Union County Clerk's office regarding the operating expenses of the Sheriff's Department.
- 27) Based on the square footage calculation, we calculated the allocable amount of the Sheriff's Department operating expenses to the inmate bond processing function.
- 28) Based on information obtained we computed the costs incurred with processing one inmate bond.

Findings:

After review of all information supplied by the Union County Sheriff's Department, it appears that the Union County Sheriff currently charges a base fee of \$50.00 for inmate bond processing. The calculated cost of the Union County Sheriff's Department processing (1) inmate bond is \$207.21. This represents a difference of \$157.21 per inmate bond processed by the Union County Sheriff's Department. The number of inmate bonds processed for the years examined was 786 bonds per year. The increase of \$157.21 per inmate bond processed would total \$123,567.06 of increased fees based on 786 inmate bonds processed per year.

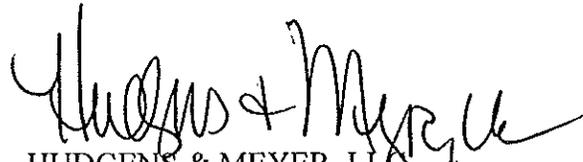
Below is a summary of costs and increases in annual fees examined by this cost study performed in accordance with OMB Circular A-87:

<u>Fee</u>	<u>Cost Per Item</u>	<u>Current Charge Per Item</u>	<u>Average number of items per year</u>	<u>Estimated Increase in Annual Fees if Adjusted to Cost</u>
Civil Service	\$ 70.84	\$ 45.00	1,200	\$ 31,008.00
Bond Inmate	\$ 207.21	\$ 50.00	786	\$ 123,567.06
	<u>Total</u>			<u>\$ 154,575.06</u>

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion, on the accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Union County Sheriff's Department and the Union County Board and is not intended to be and should not be used by anyone other than those specified parties.

Respectfully submitted,


HUDGENS & MEYER, L.L.C.
Certified Public Accountants