



STATE OF ILLINOIS  
**OFFICE OF THE  
 AUDITOR GENERAL**

Frank J. Mautino, Auditor General

**SUMMARY REPORT DIGEST**

**STATEWIDE 9-1-1 FUND AND WIRELESS  
 CARRIER REIMBURSEMENT FUND**

**Limited Scope Compliance Examination  
 For the Two Years Ended June 30, 2018**

**Release Date: May 23, 2019**

FINDINGS THIS AUDIT: 1	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since 2016	Category 1	Category 2	Category 3
<b>Category 1:</b>	<b>0</b>	<b>1</b>	<b>1</b>		<b>18-1</b>		
<b>Category 2:</b>	<b>0</b>	<b>0</b>	<b>0</b>				
<b>Category 3:</b>	<b>0</b>	<b>0</b>	<b>0</b>				
<b>TOTAL</b>	<b>0</b>	<b>1</b>	<b>1</b>				
<b>FINDINGS LAST AUDIT: 1</b>							

**INTRODUCTION**

We conducted a limited scope compliance examination of the Statewide 9-1-1 Fund and the Wireless Carrier Reimbursement Fund in accordance with the Emergency Telephone System Act (Act) (50 ILCS 750). The activities conducted under the Act are recorded in two funds. The Statewide 9-1-1 Fund (Fund 612) is used for surcharges assessed under the Act and grants to emergency telephone system boards and qualified entities. The Wireless Carrier Reimbursement Fund (Fund 613) is used for the reimbursement of wireless carriers and administrative costs.

Effective January 1, 2016, the Act (50 ILCS 750/75) transferred all rights, functions, powers, and duties of the Illinois Commerce Commission as set forth in the Wireless Emergency Telephone Safety Act (50 ILCS 751) to the Illinois Department of State Police. However, the Illinois Commerce Commission remains responsible for payments from Fund 613.

**SYNOPSIS**

- **(18-01)** The Department of State Police did not maintain adequate internal controls over receipts and reconciliations.

<b>Category 1:</b>	Findings that are <b>material weaknesses</b> in internal control and/or a <b>qualification</b> on compliance with State laws and regulations (material noncompliance).
<b>Category 2:</b>	Findings that are <b>significant deficiencies</b> in internal control and <b>noncompliance</b> with State laws and regulations.
<b>Category 3:</b>	Findings that have <b>no internal control issues but are in noncompliance</b> with State laws and regulations.

{Expenditures and Activity Measures are summarized on next page.}



**FINDINGS, CONCLUSIONS, AND  
RECOMMENDATIONS**

**INADEQUATE CONROLS OVER RECEIPTS AND  
RECONCILIATIONS**

The Department of State Police (Department) did not maintain adequate internal controls over receipts and reconciliations.

During testing, we found the following:

**Population provided did not agree to reconciliation documentation**

- The population provided by the Department of cash receipts received did not agree to the documentation the Department provided with receipt reconciliations for Fiscal Year 2018.
- The Department's June 2018 reconciliation contained unknown reconciliation discrepancies between the Office of the State Comptroller (Comptroller) records and the Department's records. The discrepancies totaled a net amount of \$5,348,303.

**Differences noted between ending and beginning deposits-in-transit amounts**

- The Department's reconciliations showed differences in deposits-in-transit amounts.
- The Monthly Revenue Status Report (SB04) reconciliations for Fund 612 and Fund 613 for 9 of 24 (38%) months were not performed within 60 days following the end of the month. The reconciliations were completed 41 to 253 days late.
- Documentation of when the SB04 reconciliation was completed was not maintained for 4 of 24 (17%) months. Therefore, we were unable to determine if reconciliations were performed timely. (Finding 1, pages 12-14)

**Receipt reconciliations not performed timely**

We recommended the Department maintain accurate and detailed records of all cash receipts and strengthen procedures to properly and timely reconcile Department and Comptroller receipt records.

Department management concurred with the finding and recommendation and stated they have put policies and procedures in place to ensure all reconciliations are performed timely and accurately.

**ACCOUNTANT'S OPINION**

The accountants conducted a limited scope compliance examination of the Statewide 9-1-1 Fund and the Wireless Carrier Reimbursement Fund for the two years ended June 30, 2018, as required by the Emergency Telephone System Act (50 ILCS 750/50) and the Illinois State Auditing Act. The accountants stated the Illinois Commerce Commission and Department of State Police complied, in all material respects, with the requirements described in the report.

This limited scope compliance examination was conducted by West & Company, LLC.

**SIGNED ORIGINAL ON FILE**

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JANE CLARK  
Division Director

This report is transmitted in accordance with Section 3-14 of the Illinois State Auditing Act.

**SIGNED ORIGINAL ON FILE**

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FRANK J. MAUTINO  
Auditor General

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