

METRO EAST POLICE DISTRICT COMMISSION
COMPLIANCE EXAMINATION
For the Year Ended December 31, 2019

METRO EAST POLICE DISTRICT COMMISSION
 COMPLIANCE EXAMINATION
 For the Year Ended December 31, 2019

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METRO EAST POLICE DISTRICT COMMISSION
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COMMISSION OFFICIALS

Chair	Mr. Calvin Dye, Sr.
Vice-Chair	Mr. Virgil Riley
Treasurer	Mr. Martin Gulley
Secretary	Honorable State's Attorney Brendan Kelly

COMMISSION MEMBERS

Appointed by the Governor of the State of Illinois

Member	Mr. Calvin Dye, Sr.
Member	Honorable Judge Annette Eckert
Member	Mr. Kendall L. Granger
Member	Mr. Martin Gulley
Member	Mr. Johnny Scott
Member	Mr. Rob Scott
Member	Vacant

Appointed by the Village President of Alorton

Member	Mr. David Clark
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Appointed by the Village President of Brooklyn

Member	Mr. Jeffery Thomas
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Appointed by the Mayor of the City of East St. Louis

Member	Mr. Jerry Simon
Member	Mr. John Baricevic
Member	Mr. Virgil Riley
Member	Honorable Sheriff Rick Watson

METRO EAST POLICE DISTRICT COMMISSION
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COMMISSION MEMBERS (continued)

Appointed by the Village President of Washington Park

Member Mr. Allan Bonds

Representing the St. Clair County State's Attorney

Ex-Officio Member Honorable State's Attorney Brendan Kelly

Representing the Director of the Department of State Police

Ex-Officio Member Mr. Joe Collins

Representing the Director of the Southern Illinois Law Enforcement Commission

Ex-Officio Member Mr. David Hayes

Note 1: On December 31, 2019, the Metro East Police District Act (Act) (70 ILCS 1750) was repealed by operation of law (70 ILCS 1750/20). As a result, the Commission was abolished and all Commission officials and members terminated their positions effective on December 31, 2019.

Note 2: The Commission Chair was unable to provide a listing of the current Commission members; therefore, this schedule was obtained from the prior period's compliance examination report. As a result, a complete and accurate listing of all Commission members serving during Calendar Year 2019 could not be determined (see Finding 2019-004). However, we did note that Brendan Kelly is no longer with the St. Clair County State's Attorney's Office and is currently the Director of the Illinois State Police.

COMMISSION'S MAILING ADDRESS

While the Commission does not have an office, its mailing address is:

Metro East Police District Commission
c/o: St. Clair County
10 Public Square
Belleville, Illinois 62220

COMPLIANCE EXAMINATION
MANAGEMENT ASSERTION LETTER

June 29, 2020

Honorable Frank J. Mautino
Auditor General
State of Illinois
740 East Ash Street
Springfield, Illinois 62703-3154

Auditor General Mautino:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the Metro East Police District Commission (Commission). We are responsible for and we have established and maintained an effective system of internal controls over compliance requirements. We have performed an evaluation of the Commission's compliance with the following specified requirements during the one-year period ended December 31, 2019. Based on this evaluation, we assert that during the year ended December 31, 2019, the Commission has materially complied with the specified requirements listed below.

- A. The Commission has obligated, expended, received, and used public funds in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The Commission has obligated, expended, received, and used public funds in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law upon such obligation, expenditure, receipt, or use.
- C. The Commission has complied, in all material respects, with applicable laws and regulations in its financial and fiscal operations.
- D. Revenues and receipts collected by the Commission are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate, and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the Commission on behalf of the State or held in trust by the Commission have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Yours truly,

Metro East Police District Commission

SIGNED ORIGINAL ON FILE

Calvin Dye, Chair

SIGNED ORIGINAL ON FILE

Martin Gulley, Treasurer

METRO EAST POLICE DISTRICT COMMISSION
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COMPLIANCE REPORT

SUMMARY

The compliance testing performed during this examination was conducted in accordance with *Government Auditing Standards*, the Illinois State Auditing Act, and the Metro East Police District Act.

ACCOUNTANT’S REPORT

The Independent Accountant’s Report on State Compliance, on Internal Control Over Compliance, and on Supplementary Information for State Compliance Purposes contains an adverse opinion on compliance and identifies material weaknesses in internal control over compliance.

SUMMARY OF FINDINGS

<u>Number of</u>	<u>Current</u>	<u>Prior</u>
<u>Findings</u>	<u>Report</u>	<u>Report</u>
Findings	5	4
Repeated Findings	4	4
Prior Recommendations Implemented or Not Repeated	0	0

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Last Reported</u>	<u>Description</u>	<u>Finding Type</u>
FINDINGS (STATE COMPLIANCE)				
2019-001	11	2018	Failure to Assume Grant Administration Functions	Material Weakness and Material Noncompliance
2019-002	12	2018	Inadequate Control over Finances	Material Weakness and Material Noncompliance
2019-003	14	2018	Inadequate Monitoring of the Illinois Finance Authority	Material Weakness and Material Noncompliance
2019-004	16	2018	Procedural Deficiencies	Material Weakness and Material Noncompliance
2019-005	21	New	Improper Cessation of Activities	Material Weakness and Material Noncompliance

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EXIT CONFERENCE

The Commission waived an exit conference in a correspondence from Mr. Martin Gulley, Treasurer, on June 16, 2020. The Commission declined to provide responses to the recommendations.

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OFFICE OF THE AUDITOR GENERAL
FRANK J. MAUTINO

INDEPENDENT ACCOUNTANT'S REPORT ON STATE COMPLIANCE,
ON INTERNAL CONTROL OVER COMPLIANCE, AND ON
SUPPLEMENTARY INFORMATION FOR COMPLIANCE PURPOSES

Honorable Frank J. Mautino
Auditor General
State of Illinois

and

Governing Board
Metro East Police District Commission

Compliance

We have examined compliance by the Metro East Police District Commission (Commission) with the specified requirements listed below, as more fully described in the *Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (Audit Guide)* as adopted by the Auditor General, during the year ended December 31, 2019. Management of the Commission is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the Commission's compliance with the specified requirements based on our examination.

The specified requirements are:

- A. The Commission has obligated, expended, received, and used public funds in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The Commission has obligated, expended, received, and used public funds in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law upon such obligation, expenditure, receipt, or use.
- C. The Commission has complied, in all material respects, with applicable laws and regulations in its financial and fiscal operations.
- D. Revenues and receipts collected by the Commission are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate, and in accordance with law.

- E. Money or negotiable securities or similar assets handled by the Commission on behalf of the State or held in trust by the Commission have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the Illinois State Auditing Act (Act), the Metro East Police District Act, and the *Audit Guide*. Those standards, the Act, the Metro East Police District Act, and the *Audit Guide* require that we plan and perform the examination to obtain reasonable assurance about whether the Commission complied with the specified requirements in all material respects. An examination involves performing procedures to obtain evidence about whether the Commission complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance with the specified requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our modified opinion.

Our examination does not provide a legal determination on the Commission's compliance with the specified requirements.

Our examination disclosed material noncompliance with the specified requirements during the year ended December 31, 2019. As described in items 2019-001 through 2019-005 in the accompanying Schedule of Findings, the Commission did not comply with the specified requirements. Items 2019-001 through 2019-005 are each considered to represent material deviations with the specified requirements. As described in the accompanying Schedule of Findings as items 2019-002, 2019-003, and 2019-005, the Commission had not obligated, expended, received, and used public funds in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law. As described in the accompanying Schedule of Findings as items 2019-002, 2019-003, and 2019-005, the Commission had not obligated, expended, received, and used public funds in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law upon such obligation, expenditure, receipt, or use. As described in the accompanying Schedule of Findings as items 2019-001 through 2019-005, the Commission had not complied, in all material respects, with applicable laws and regulations in its financial and fiscal operations. As described in the accompanying Schedule of Findings as items 2019-002, 2019-003, and 2019-005, the Commission had not ensured the revenues and receipts collected by the Commission were in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts was fair, accurate, and in accordance with law. As described in the accompanying Schedule of Findings as items 2019-002, 2019-003, and 2019-005, money negotiable securities or similar assets handled by the Commission on behalf of the State or held in trust by the Commission had not been properly and legally administered and accounting and recordkeeping related thereto was proper, accurate and in accordance with law.

In our opinion, because of the significance and pervasiveness of the material deviations from the specified requirements described in the preceding paragraph, the Commission did not comply with the specified requirements during the year ended December 31, 2019, in all material respects.

The Commission's responses to the compliance findings identified in our examination are described in the accompanying Schedule of Findings. The Commission's responses were not subjected to the procedures applied in the examination and, accordingly, we express no opinion on the responses.

The purpose of this report is solely to describe the scope of our testing and the results of that testing in accordance with the requirements of the *Audit Guide*. Accordingly, this report is not suitable for any other purpose.

Internal Control Over Compliance

Management of the Commission is responsible for establishing and maintaining effective internal control over compliance with the specified requirements (internal control).

In planning and performing our examination, we considered the Commission's internal control to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Commission's compliance with the specified requirements and to test and report on the Commission's internal control in accordance with the *Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

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, noncompliance with the specified requirements 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 noncompliance with the specified requirements 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section 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 have not been identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings as items 2019-001 through 2019-005, that we considered to be material weaknesses.

There were no immaterial findings that have been excluded from this report.

The Commission's responses to the internal control findings identified in our examination are described in the accompanying Schedule of Findings. The Commission's responses were not

subjected to the procedures applied in the examination and, accordingly, we express no opinion on the responses.

The purpose of this report is solely to describe the scope of our testing of internal control and the results of that testing based on the requirements of the *Audit Guide*. Accordingly, this report is not suitable for any other purpose.

Supplementary Information for State Compliance Purposes

Our examination was conducted for the purpose of forming an opinion on the Commission's compliance with the specified requirements. The accompanying supplementary information for the year ended December 31, 2019, in Schedules 1 through 2 and the Analysis of Operations section are presented for purposes of additional analysis. Such information is the responsibility of Commission management. Because of the significance of the matters described in the accompanying Schedule of Findings as items 2019-001 through 2019-005, it is inappropriate to, and we do not, express an opinion on the supplementary information referred to above.

SIGNED ORIGINAL ON FILE

JANE CLARK, CPA
Director of Financial and Compliance Audits

June 29, 2020
Springfield, Illinois

METRO EAST POLICE DISTRICT COMMISSION
COMPLIANCE EXAMINATION
SCHEDULE OF FINDINGS
For the Year Ended December 31, 2019

2019-001. **FINDING** (Failure to Assume Grant Administration Functions)

The Metro East Police District Commission (Commission) did not assume administrative functions for external law enforcement grants and assistance within the Metro East Police District (District). The District is composed of the City of East St. Louis, the Village of Washington Park, the Village of Alorton, and the Village of Brooklyn.

During testing, we noted the Commission did not assume the authority to apply for and accept financial grants or contributions of services from the four police departments located within the District. Further, the Commission has not designed or developed the processes and procedures necessary for receiving and administering grants, such as grant writing and implementing budgetary and accounting systems.

The Metro East Police District Act (70 ILCS 1750/10(a)(5)) required the Commission, no later than January 1, 2014, “assume for police departments within the District the authority to make application for and accept financial grants or contributions of services from any public or private source for law enforcement purposes.” On December 31, 2019, the Metro East Police District Act (Act) (70 ILCS 1750) was repealed by operation of law (70 ILCS 1750/20). As a result, the Commission was abolished and this responsibility reverted back to the individual communities within the District.

Commission officials indicated, as in the prior examination, the lack of financial resources acted as a barrier to assuming grant administration functions of the District.

Failure to assume the authority for applying and accepting law enforcement-related grants or services for the police departments within the District limited the Commission’s ability to provide administrative services and oversight for the District and represented noncompliance with the Metro East Police District Act. (Finding Code No. 2019-001, 2018-001, 2016-001, 2014-001)

RECOMMENDATION

If the Commission is reestablished, we recommend the Commission seek sufficient resources to assume the authority to apply for and accept financial grants or contributions of services on behalf of the four police departments located within the District.

COMMISSION RESPONSE

The Commission declined to provide a response.

METRO EAST POLICE DISTRICT COMMISSION
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SCHEDULE OF FINDINGS
For the Year Ended December 31, 2019

2019-002. **FINDING** (Inadequate Control over Finances)

The Metro East Police District Commission (Commission) lacked adequate control over its finances.

During testing, we noted the following issues with the Commission's receipts and disbursements processing procedures and related financial records:

- The Commission did not maintain books and records of its financial activity. For example, the Commission did not have a cash disbursement journal, cash receipts journal, or a check register for its account held at a bank.
- The Commission did not maintain books and records of its accounts receivable activity. For example, the Commission did not have a record of new fines, payments, or adjustments.
- The Commission did not maintain bank statements or perform bank reconciliations of its distribution account during Calendar Year 2019.
- The Commission did not develop an allowance for doubtful accounts for reporting its net outstanding accounts receivable. Further, the Commission did not develop write-off procedures for uncollectible debt.

Due to these conditions, we were unable to conclude whether the Commission's population records were sufficiently precise and detailed under the Attestation Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.35) to test the Commission's receipts, disbursements, and accounts receivable.

Even given the population limitations noted above which hindered our ability to conclude whether selected samples were representative of the population as a whole, we performed the following tests:

During testing of one disbursement, totaling \$800, we noted the disbursement did not have a completed Certificate of the Metro East Police District Commission, which would have documented the Commission's approval date.

During testing of 20 new fines, four adjustments, and four payments, we noted the Commission was unable to provide supporting case file documentation to substantiate the accounts receivable from St. Clair County Circuit Clerk.

A good system of internal control includes:

- establishing and maintaining books and records for an entity's transactions;
- performing bank reconciliations on a timely basis to identify discrepancies and unrecorded transactions; and,

METRO EAST POLICE DISTRICT COMMISSION
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2019-002. **FINDING** (Inadequate Control over Finances - Continued)

- developing a fair and reasonable estimate of uncollectible accounts receivable to properly report accounts receivable collections the Commission expects to make over the lifespan of its accounts receivable.

In addition, the *Intergovernmental Agreement between the Metro East Police District Commission and the Illinois Finance Authority Regarding the Metro East Police District Fund* (Section 6) stated the Commission may submit a request to the Authority to disburse moneys from the Metro East Police District Fund in the form of a direct payment into the Disbursement Account for purposes of allowing the Commission to make payments as and when they become due. In addition, the agreement stated each withdrawal request was to be accompanied by a properly executed certification in a form approved by the Authority, which certified the money requested will only be used for purposes and powers set forth in the Metro East Police District Act (Act) and otherwise to confirm compliance with the Act.

Commission officials indicated, as they did during the prior examination, that the inadequate control over its finances was due to lack of resources.

Failure to maintain adequate books and records hindered the ability of the Commission to understand its current financial position. In addition, failure to develop an allowance for doubtful accounts limited the usefulness of the Commission's accounts receivable reports. Further, failure to complete the Certificate of the Metro East Police District Commission and maintain supporting documentation resulted in the inability of the Commission to determine compliance with terms of its interagency agreement with the Illinois Finance Authority. (Finding Code No. 2019-002, 2018-002, 2016-002, 2014-002)

RECOMMENDATION

If the Commission is reestablished, we recommend the Commission establish and maintain books and records for its financial activity. Additionally, the Commission should maintain copies of bank statements and perform bank reconciliations. Further, the Commission should develop a fair and reasonable allowance for its doubtful accounts. Finally, the Commission should improve its internal controls over disbursements and payments by documenting dates of approval.

COMMISSION RESPONSE

The Commission declined to provide a response.

METRO EAST POLICE DISTRICT COMMISSION
COMPLIANCE EXAMINATION
SCHEDULE OF FINDINGS
For the Year Ended December 31, 2019

2019-003. **FINDING** (Inadequate Monitoring of the Illinois Finance Authority)

The Metro East Police District Commission (Commission) did not monitor the activities of the Illinois Finance Authority (Authority).

In accordance with the Metro East Police District Act (70 ILCS 1750/15), the Commission entered into an interagency agreement with the Authority to establish the Metro East Police District Fund (Fund), which is maintained by the Authority separately from all other accounts and funds under the control of the Authority. During Calendar Year 2019, the Commission deposited all of its receipts from the St. Clair County Circuit Clerk into the Fund and requested disbursements of moneys from the Fund to pay its obligations (see Comparative Cash Basis Schedule of Receipts, Disbursements, and Fund Balance on page 23).

During testing, the following weaknesses and deficiencies were identified:

- The Commission did not have policies or procedures to ensure the completeness and accuracy of receipts sent to the Authority and deposited in the Commission's account. Additionally, the Authority's receipt records for the Fund were unable to be reconciled to the St. Clair County Clerk's records of payments made.
- The Commission did not pay the Authority the required administrative costs agreed upon in the interagency agreement. The Commission failed to remit \$37 of administrative costs during Calendar Year 2019. Additionally, the Commission failed to remit \$94 of administrative costs accrued during Calendar Year 2017 and Calendar Year 2018.
- Three of 19 (16%) receipts tested were not fully supported by the documentation the Authority provided to the Commission and could not be traced to the St. Clair County Clerk's records of payments made which resulted in an overstatement of \$38 in the Fund.
- The Commission was unable to provide supporting case file documentation to substantiate new fines, payments, and adjustments from St. Clair County.
- The Commission did not adopt a written investment policy nor invest or deposit public funds with minority-owned financial institutions within the State.

The Commission was ultimately responsible for the activities the Authority conducted on its behalf. Good internal controls required the Commission to determine the accuracy and validity of its receipts. The Public Funds Deposit Act (30 ILCS 225/1) requires custodians of public funds invest moneys not needed for immediate disbursement within two working days at prevailing rates or better. In addition, the Public Funds Investment

METRO EAST POLICE DISTRICT COMMISSION
COMPLIANCE EXAMINATION
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For the Year Ended December 31, 2019

2019-003. **FINDING** (Inadequate Monitoring of the Illinois Finance Authority - Continued)

Act (30 ILCS 235/2.5) required the Commission invest its public funds pursuant to a written investment policy adopted by the Commission. Further, the Public Funds Investment Act (30 ILCS 235/7) requires custodians of public funds to invest or deposit such funds with or in minority-owned financial institutions within this State to the extent permitted by both the Public Funds Investment Act and by the lawful and reasonable performance of the custodian's duties. Lastly, the *Intergovernmental Agreement between the Metro East Police District Commission and the Illinois Finance Authority Regarding the Metro East Police District Fund* (Section 9) required the Commission pay a quarterly fee totaling 3% if the receipts deposited into the Fund to the Authority within 30 days of the close of the quarter.

Commission officials indicated, as they did in the prior examination, that they lacked the resources to adequately monitor the activities of the Authority.

Failure to ensure receipts were properly supported and agreed with other parties could have resulted in errors or other irregularities going undetected by the Commission. Additionally, failure to adopt a written investment policy represented noncompliance with the Public Funds Investment Act and limited the ability of the Commission to provide direction to the Authority concerning investing the Commission's moneys not needed for immediate disbursement. Further, failure to make payments for administrative costs represents noncompliance with the terms of its interagency agreement with the Authority. (Finding Code No. 2019-003, 2018-003, 2016-003)

RECOMMENDATION

If the Commission is reestablished, we recommend the Commission work with the Authority to monitor their activities and to approve a written investment policy and invest or deposit public funds with minority owned financial institutions within the State. Further, the Commission should work with the Circuit Clerk of St. Clair County to ensure its receipts are complete, accurate, and supported with proper documentation.

COMMISSION RESPONSE

The Commission declined to provide a response.

METRO EAST POLICE DISTRICT COMMISSION
COMPLIANCE EXAMINATION
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For the Year Ended December 31, 2019

2019-004. **FINDING** (Procedural Deficiencies)

The Metro East Police District Commission (Commission) did not comply with certain statutory requirements.

During testing, we noted the Commission could not provide a complete and accurate listing of all Commission members and their dates of service during Calendar Year 2019.

Due to this condition, we were unable to conclude whether the Commission's population records were sufficiently precise and detailed under the Attestation Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.35) to test the Commission's statements of economic interest, training records as required by the Open Meetings Act, and Commissioner oaths of office.

Even given the population limitations noted above which hindered our ability to conclude whether selected samples were representative of the population as a whole, we performed the following tests:

During testing of statements of economic interest filed with the Secretary of State and St. Clair County Clerk during Calendar Year 2019, we noted the following:

- The Commission did not retain documentation to support it had submitted a listing of individuals required to file the annual statement of economic interest with the Secretary of State and St. Clair County Clerk by February 1, 2019.
- The Commission did not have any policies or procedures to review statements of economic interest for any conflicts prior to submission.

The Illinois Governmental Ethics Act (Ethics Act) (5 ILCS 420/4A-106) required the Commission file, on or before February 1 each year, the names and addresses of persons required to file a statement of economic interests with the Secretary of State and St. Clair County Clerk. Further, the Ethics Act (5 ILCS 420/4A-101(h)) also required persons appointed to the governing board of a local government, or special district, file a verified written statement of economic interests. Finally, good internal controls include reviewing economic interest statements for conflicts of interest.

During testing of the Commission's statutory requirements, we noted the following:

- The Commission did not provide support for the Commission members' completion of required trainings under the Open Meetings Act during Calendar Year 2019.

METRO EAST POLICE DISTRICT COMMISSION
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For the Year Ended December 31, 2019

2019-004. **FINDING** (Procedural Deficiencies - Continued)

The Metro East Police District Act (Act) (70 ILCS 1750/10(g)) noted the Commission is subject to the Open Meetings Act. The Open Meetings Act (5 ILCS 120/1.05(b)) required the commissioners complete the Attorney General's Public Access Counselor's electronic training curriculum no later than 90 days after taking the oath of office or assuming the responsibilities of a member of the Commission.

- The Commission did not provide oaths of office for Commission members serving during Calendar Year 2019.

The Act (70 ILCS 1750/10(d)) required each member of the Commission to take an oath of office.

- The Commission did not prepare a biennial report covering the Commission's operations during the two years ended December 31, 2018, and a statement of its anticipated programs during the next two calendar years.

The Act (70 ILCS 1750/10(e)) required the Commission submit a report to the General Assembly pursuant to the General Assembly Organization Act (25 ILCS 5/3.1) no later than March 1 of each odd-numbered year covering its operations during the past two calendar years and its anticipated programs during the next two calendar years.

- The Commission did not submit lists or schedules of the Commission's records to the Local Records Commission proposing the length of time each records series warrants retention for administrative, legal, or fiscal purposes. Further, the Commission did not submit lists or schedules of its public records no longer needed to transact current business that do not warrant retention for administrative, legal, or fiscal purposes (see Finding 2019-005 for more information).

The Local Records Act (50 ILCS 205/10) required the Commission submit lists or schedules of the Commission's records to the Local Records Commission proposing the length of time each records series warrants retention for administrative, legal, or fiscal purposes. In addition, the Commission must submit lists or schedules of its public records to the Local Records Commission for its approval prior to disposing of records not needed in the transaction of current business and do not warrant retention for administrative, legal, or fiscal purposes.

- The Commission did not adopt a budget for Calendar Year 2019.

The Act (70 ILCS 1750/10(d)) required the Commission adopt an annual

METRO EAST POLICE DISTRICT COMMISSION
COMPLIANCE EXAMINATION
SCHEDULE OF FINDINGS
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2019-004. **FINDING** (Procedural Deficiencies - Continued)

Budget. The Illinois Municipal Budget Law (50 ILCS 330/3) required the Commission:

- adopt a budget and appropriations in such sums as deemed necessary to defray all of the necessary expenses and liabilities of the Commission;
 - prepare the budget with a statement of all cash on hand at the beginning of the fiscal year, an estimate of cash expected to be received during the fiscal year from all sources, an estimate of all expenditures contemplated for the fiscal year, and an estimate of taxes, if any, to be reasonably expected to be received;
 - make its proposed budget available for, at least, 30 days before taking final action on the budget;
 - hold, at least, one public meeting prior to adopting the budget; and,
 - publish, in an English language newspaper published in St. Clair County, notice of the public hearing at least 30 days prior to the time of the public hearing with the time and place the public can inspect the proposed budget.
- The Commission did not designate an individual to serve as the Commission's Freedom of Information Act (FOIA) Officer. As such, the Commission's FOIA Officer did not complete the Attorney General's Public Access Counselor's electronic training curriculum.

Further, the Commission did not:

- develop procedures to have all FOIA requests be promptly forwarded to the FOIA Officer;
- promulgate rules and regulations pertaining to the availability of records and procedures followed, including the times and places records would be made available and the person from whom such records may be obtained;
- develop lists of categories of documents immediately disclosed upon request; and,
- maintain and update a reasonably detailed and current list, to be available for inspection and copying, of all types or categories under its control.

The Act (70 ILCS 1750/10(g)) noted the Commission was a public body subject to the FOIA. The FOIA (5 ILCS 140/3.5) required the Commission designate one or more officials or employees to serve as its FOIA Officer, who must develop lists of categories of documents immediately disclosed upon request and complete the Attorney General's Public Access Counselor's electronic training curriculum within 30 days after becoming the FOIA Officer and annually thereafter. Further, the FOIA (5 ILCS 140/3) required the Commission immediately forward any FOIA requests to its FOIA Officer and promulgate rules and regulations pertaining to the availability of records and procedures followed, including the times and places records will be made

METRO EAST POLICE DISTRICT COMMISSION
COMPLIANCE EXAMINATION
SCHEDULE OF FINDINGS
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2019-004. **FINDING** (Procedural Deficiencies - Continued)

available and the person from whom such records may be obtained. Finally, the FOIA (5 ILCS 140/5) required the Commission “maintain and make available for inspection and copying a reasonably current list of all types or categories of records under its control.”

- The Commission did not elect officers during Calendar Year 2019.

The Act (70 ILCS 1750/10(d)) required the Commission hold an annual meeting to elect a chair, vice-chair, secretary, and treasurer.

- The Commission did not retain meeting minutes for the months of May, September, and October of 2019. As a result, it could not be determined if the Commission met during these months.

Our testing of the meeting minutes for the remaining 9 months of Calendar Year 2019 disclosed the following exceptions:

- for seven (78%) meetings, the Commission did not meet a quorum of at least nine members prior to conducting business; and,
- for one (11%) meeting, inconsistencies were noted regarding Commission members’ attendance.

The Act (70 ILCS 1750/10(d)) required the Commission hold monthly meetings with a quorum of, at least, nine members to conduct its business. Further, the Open Meetings Act (5 ILCS 120/2.06(a)) required all public bodies to keep written minutes of all their meetings, including the members of the public body recorded as either present or absent.

- The Commission did not develop the following strategic plans:
 - formal, written long-term goals and short-term objectives for meeting long-term goals;
 - strategies or time frames for achieving objectives;
 - evidence that goals and objectives have been periodically re-evaluated and alternative approaches considered;
 - a budget that includes productivity, workload, and performance measurements; and,
 - key measurement criteria to assess progress towards objectives.

Good business practices required the Commission to form goals, objectives, and adopt a budget in order to ensure the Commission is operating in compliance with all statutes, laws, and regulations. Additionally, the monitoring of these goals, objectives, and budget helps ensure that funds are utilized effectively.

METRO EAST POLICE DISTRICT COMMISSION
COMPLIANCE EXAMINATION
SCHEDULE OF FINDINGS
For the Year Ended December 31, 2019

2019-004. **FINDING** (Procedural Deficiencies - Continued)

Commission officials indicated, as in the prior examination, these procedural deficiencies were due to lack of resources.

Failure to implement internal controls to provide reasonable assurance the Commission complied with applicable provisions of the Act, Ethics Act, Open Meetings Act, Local Records Act, Illinois Municipal Budget Law, and FOIA represented noncompliance with State law. (Finding Code No. 2019-004, 2018-004, 2016-004)

RECOMMENDATION

If the Commission is reestablished, we recommend the Commission implement procedures to comply with applicable provisions of State law.

COMMISSION RESPONSE

The Commission declined to provide a response.

METRO EAST POLICE DISTRICT COMMISSION
COMPLIANCE EXAMINATION
SCHEDULE OF FINDINGS
For the Year Ended December 31, 2019

2019-005. **FINDING** (Improper Cessation of Activities)

The Metro East Police District Commission (Commission) did not properly plan for or cease its activities.

On December 31, 2019, the Metro East Police District Act (Act) (70 ILCS 1750) was repealed by operation of law (70 ILCS 1750/20). As a result, the Commission was abolished.

During testing, we noted the following:

- The Commission had a remaining cash balance of \$4,463 within the Metro East Police District Fund held by the Illinois Finance Authority and the Commission's local bank account had a cash balance of \$4 as of December 31, 2019.

The Commission did not determine an appropriate disposition of these moneys or seek a legislative remedy from the General Assembly. Further, it is not clear who is currently responsible for holding the public funds within the Commission's local bank account.

While outstanding fines collected by the St. Clair County Clerk arising from the additional penalties imposed by the Counties Code (also repealed by operation of law on December 31, 2019, previously codified at 55 ILCS 5/5-1101.5) for certain offenses committed within the Metro East Police District are now remitted to St. Clair County's General Fund in accordance with the Clerks of Courts Act (705 ILCS 105/27.3b-1(b)), cash collections already disbursed to the Commission and deposited within its accounts lacks an apparent disposition under State law.

Good internal control includes monitoring cash balances to promptly seek a disposition for excess cash.

- As each Commission member's term of office concluded by operation of law on December 31, 2019, it is unclear who serves as the official custodian of its records and performing destruction procedures after it is deemed the records are no longer necessary for current business or retain administrative, legal, or fiscal value to justify retention (see Finding 2019-002 for more information).

The Local Records Act (50 ILCS 205/10) requires retention of records until the Local Records Commission determines the records have no historical, legal, or administrative value and the Local Records Commission authorizes the destruction of the records. The Local Records Act does not appear to provide a process for handling the records of a closed local government.

METRO EAST POLICE DISTRICT COMMISSION
COMPLIANCE EXAMINATION
SCHEDULE OF FINDINGS
For the Year Ended December 31, 2019

2019-005. **FINDING** (Improper Cessation of Activities - Continued)

Commission officials indicated the improper cessation was due to lack of resources.

Failure to determine an appropriate disposition of the Commission's remaining cash represents poor cash management practices. Further, failure to determine the official custodian of the Commission's records prior to closure reflects a general lack of control over the closure process. (Finding Code No. 2019-005)

RECOMMENDATION

We recommend the Commission's former officials notify the Governor, the General Assembly, and the Illinois Finance Authority of the remaining balance of funds and work with these entities to determine an appropriate transfer of responsibilities and disposition of the remaining cash. Further, we recommend the Commission's former officials notify the Secretary of State and the Local Records Commission of its closure and seek an appropriate disposition for its records.

COMMISSION RESPONSE

The Commission declined to provide a response.

METRO EAST POLICE DISTRICT COMMISSION
 COMPLIANCE EXAMINATION
**COMPARATIVE CASH BASIS SCHEDULE OF RECEIPTS,
 DISBURSEMENTS, AND FUND BALANCE**
 For the Calendar Year Ended December 31,

(NOT EXAMINED)

	Calendar Year	
	2019	2018
<u>METRO EAST POLICE DISTRICT FUND</u>		
Beginning Cash Balance	\$ 4,016	\$ 5,976
<u>Receipts</u>		
\$100 Fine for DUI and Felony Convictions	\$ 1,238	\$ 1,918
Interest Income	9	10
Total Receipts	\$ 1,247	\$ 1,928
<u>Disbursements</u>		
Background Checks	\$ 800	\$ 3,600
Reimbursements to the Illinois Finance Authority	-	288
Total Disbursements	\$ 800	\$ 3,888
Ending Cash Balance	\$ 4,463	\$ 4,016

Note 1: The data within this schedule was developed based upon records obtained from the Illinois Finance Authority (Authority). The Commission did not maintain financial records or bank statements as noted in Finding 2019-002.

Note 2: Prior to the Commission's closure, disbursement amounts were vouchers approved for payment by the Commission and submitted by the Commission to the Authority for approval. After the Authority approves the Commission's disbursement request, the Authority wire transferred the exact amount due to the Commission's vendors to its distribution account at a bank. Finally, the Commission generated a check to pay its vendors from its distribution account.

Note 3: The Metro East Police District Fund had a remaining cash balance of \$4,463 at December 31, 2019. This amount does not currently have an apparent disposition, as noted in Finding 2019-005.

METRO EAST POLICE DISTRICT COMMISSION
 COMPLIANCE EXAMINATION
**COMPARATIVE CASH BASIS SCHEDULE OF
 DISTRIBUTION ACCOUNT ACTIVITY**
 For the Calendar Year Ended December 31,

(NOT EXAMINED)

	Calendar Year	
	2019	2018
<u>DISTRIBUTION ACCOUNT</u>		
Beginning Cash Balance	\$ 4	\$ 4
<u>Receipts</u>		
Transfers from the Illinois Finance Authority	\$ 800	\$ 3,888
Total Receipts	\$ 800	\$ 3,888
<u>Disbursements</u>		
Distributions to Vendors	\$ 800	\$ 3,888
Total Disbursements	\$ 800	\$ 3,888
Ending Cash Balance	\$ 4	\$ 4

- Note 1: The data within this schedule was developed based upon records obtained from the Illinois Finance Authority (Authority). The Commission did not maintain financial records or bank statements as noted in Finding 2019-002.
- Note 2: Prior to the Commission's closure, disbursement amounts were vouchers approved for payment by the Commission and submitted by the Commission to the Authority for approval. After the Authority approved the Commission's disbursement request, the Authority wire transferred the exact amount due to the Commission's vendors to its distribution account at a bank. Finally, the Commission generated a check to pay its vendors from its distribution account.
- Note 3: The Commission's account at the Bank of Edwardsville had a remaining cash balance of \$4 at December 31, 2019. This amount does not currently have an apparent disposition, as noted in Finding 2019-005.

METRO EAST POLICE DISTRICT COMMISSION
COMPLIANCE EXAMINATION
COMMISSION FUNCTIONS AND PLANNING PROGRAM
For the Year Ended December 31, 2019

(NOT EXAMINED)

Commission Functions

The Metro East Police District Commission (Commission) was a special district and unit of local government which existed under the laws of the State of Illinois. The jurisdiction, supervision, powers, and duties of the Commission were enumerated in the Metro East Police District Act (Act) (70 ILCS 1750).

The origins of the Commission began on January 1, 2013, when the General Assembly created the Metro East Police District (District). The Commission was created to advance the cause of public safety and law enforcement for the residents of the District. Since no action was taken by the General Assembly, the District ceased operations as of December 31, 2019.

The District was located within St. Clair County, Illinois. It included the City of East St. Louis, the Village of Washington Park, the Village of Alorton, and the Village of Brooklyn.

The Commission was required to be governed by a Board consisting of fourteen appointed voting members and three ex-officio members who could vote in the case of a tie vote. The Commission's membership consisted of the following:

- seven voting members appointed by the Governor of the State of Illinois with the advice and consent of the Senate;
- four voting members appointed by the Mayor of East St. Louis, with the advice and consent of the East St. Louis City Council;
- one voting member appointed by each one of the Village Presidents of Washington Park, Alorton, and Brooklyn, with the advice and consent of each respective village's board; and,
- three ex-officio members, including the Director of the Illinois State Police, the State's Attorney of St. Clair County, and the Director of the Southern Illinois Law Enforcement Commission, or their designees.

The Commission was responsible for the following duties:

- accepting and expending financial resources to benefit the police departments within the District;
- establishing rules and regulations that police departments within the District must adopt to receive financial assistance;
- assuming for the police departments within the District the authority to make application for and accept financial grants or contributions of services from any public or private source for law enforcement purposes;
- developing a comprehensive plan for the improvement and maintenance of facilities for law enforcement within the District; and,
- advancing the police departments within the District towards accreditation by the Commission for the Accreditation of Law Enforcement Agencies by January 1, 2016.

METRO EAST POLICE DISTRICT COMMISSION
COMPLIANCE EXAMINATION
ANALYSIS OF SIGNIFICANT VARIATIONS IN DISBURSEMENTS
For the Year Ended December 31, 2019

(NOT EXAMINED)

**ANALYSIS OF SIGNIFICANT VARIATIONS IN DISBURSEMENTS BETWEEN
CALENDAR YEARS 2018 AND 2019**

Metro East Police District Fund

Background Checks

The decrease was due to the Commission paying for a fewer number of background checks of police officers within the Metro East Police District in Calendar Year 2019 as compared to Calendar Year 2018.

Reimbursements to the Illinois Finance Authority

The decrease was due to the Commission not processing any invoices to reimburse the Illinois Finance Authority its 3% administrative fee during Calendar Year 2019 as required by the interagency agreement executed between the Commission and the Illinois Finance Authority (see Finding 2019-002).

METRO EAST POLICE DISTRICT COMMISSION
COMPLIANCE EXAMINATION
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
For the Year Ended December 31, 2019

(NOT EXAMINED)

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN CALENDAR YEARS 2018 AND 2019

Metro East Police District Fund

\$100 Fine for DUI and Felony Convictions

Fines collected for this account are reliant on the number of DUI and felony convictions occurring in the Metro East Police District (District) during the calendar years. The decrease was due to the District collecting more DUI and felony conviction fees in Calendar Year 2018 compared to Calendar Year 2019.

METRO EAST POLICE DISTRICT COMMISSION
 COMPLIANCE EXAMINATION
ANALYSIS OF ACCOUNTS RECEIVABLE
 For the Calendar Year Ended December 31,

(NOT EXAMINED)

	Calendar Year	
	2019	2018
<u>Metro East Police District Commission</u>		
Receivables Not Past Due	\$ 15,348	\$ 14,881
1 – 90 Days	1,473	2,147
91 – 180 Days	-	-
181 Days – 1 Year	2,864	3,104
1 Year ≤ 2 Years	6,351	5,697
2 Years ≤ 3 Years	5,697	3,783
3 Years ≤ 4 Years	3,783	3,964
4 Years ≤ 5 Years	3,964	1,415
5 Years ≤ 10 Years	1,440	100
> 10 Years	-	-
Gross Receivables	\$ 40,920	\$ 35,091
Less: Allowance for Doubtful Accounts	-	-
Net Receivables	\$ 40,920	\$ 35,091

Note 1: The St. Clair County Circuit Clerk (Circuit Clerk) and the St. Clair County State's Attorney's Office oversee and coordinate both an internal and external collections process for the collection of unpaid fines and fees assessed by the Circuit Court of St. Clair County (Circuit Court), including fines and fees owed to the Metro East Police District Commission Fund. Internally, a collections docket for defendants is scheduled every two weeks. Externally, the Circuit Clerk contracts with an external collection agency to conduct external collections consistent with unpaid debt collection practices.

Note 2: These amounts represent receivables related to the \$100 fine imposed upon defendants by a Circuit Court after a judgment of guilty or a grant of supervision for each felony or driving under the influence offense committed within the Metro East Police District.

Note 3: The aging schedule of accounts receivable is calculated from the last due date for the fine as set by the Circuit Court. This date may vary from the date an actual judgment is entered against the defendant due to a request to delay the due date due to the defendant's ability to pay the amount due, subsequent court activity, or other reasons deemed reasonable by the Circuit Court.

Note 4: Testing of accounts receivables was not able to be completed due to the Commission not providing all requested files for testing, as noted in Finding 2019-002.

METRO EAST POLICE DISTRICT COMMISSION
COMPLIANCE EXAMINATION
METRO EAST POLICE DISTRICT MAP
For the Year Ended December 31, 2019

(NOT EXAMINED)

The District was located within St. Clair County, Illinois. It included the City of East St. Louis, the Village of Washington Park, the Village of Alorton, and the Village of Brooklyn.

