



**State of Illinois
ILLINOIS STATE POLICE AND
ILLINOIS COMMERCE COMMISSION**

**STATEWIDE 9-1-1 FUND AND
WIRELESS CARRIER REIMBURSEMENT FUND
LIMITED SCOPE COMPLIANCE EXAMINATION**

For the Two Years Ended June 30, 2024

**Performed as Special Assistant Auditors
for the Auditor General, State of Illinois**

STATE OF ILLINOIS
ILLINOIS STATE POLICE AND ILLINOIS COMMERCE COMMISSION
STATEWIDE 9-1-1 FUND AND WIRELESS CARRIER REIMBURSEMENT FUND
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2024

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**STATE OF ILLINOIS
ILLINOIS STATE POLICE
STATEWIDE 9-1-1 FUND AND WIRELESS CARRIER REIMBURSEMENT FUND
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2024**

ILLINOIS STATE POLICE OFFICIALS

Director	Mr. Brendan F. Kelly
First Deputy Director (12/01/23 – Present)	Ms. Rebecca Hooks
First Deputy Director (07/01/22 - 11/30/23)	Mr. Matt Davis
Chief Financial Officer (10/16/24 – Present)	Ms. Michelle M. Dankoski
Chief Financial Officer (Acting) (06/01/24 – 10/15/24)	Ms. Michelle M. Dankoski
Chief Financial Officer (07/01/22 – 05/31/24)	Mr. Benjamin Dieterich
Chief Legal Counsel (04/01/24 – Present)	Ms. Steffanie Garrett
Chief Legal Counsel (Acting) (02/01/24 – 03/31/24)	Ms. Suzanne Bond
Chief Legal Counsel (08/01/23 – 01/31/24)	Ms. Kelly Griffith
Chief Legal Counsel (Acting) (07/01/22 – 07/31/23)	Ms. Kelly Griffith
Chief Internal Auditor	Ms. Denise K. Caldwell

ILLINOIS STATE POLICE OFFICE

The Illinois State Police’s primary administrative office is located at:

801 South Seventh Street
Springfield, IL 62703

**STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION
WIRELESS CARRIER REIMBURSEMENT FUND
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2024**

ILLINOIS COMMERCE COMMISSION OFFICIALS

Executive Director (01/01/24 – Present)	Mr. Jonathan Feipel
Executive Director (Interim) (04/04/23 – 12/31/23)	Mr. Jeffrey Crabtree
Executive Director (07/01/22 – 04/03/23)	Mr. Michael Merchant
Deputy Executive Director – Administration	Mr. Jeffrey Crabtree
Deputy Executive Director – Policy (Interim)	Mr. Jeffrey Crabtree
Bureau Chief – Administrative Law Judges	Ms. Sonya Teague-Kingsley
Bureau Chief – General Counsel	Ms. Natalia Delgado
Bureau Chief – Public Utilities	Mr. Jim Zolnierek
Bureau Chief – Transportation	Ms. Shauna Kelley
Director – Administrative Services (01/01/25 – Present)	Megan Seitzinger
Director – Administrative Services (08/01/24 – 12/31/24)	Vacant
Director – Administrative Services (07/01/22 – 07/31/24)	Mr. Mark Lewis
Chief Internal Auditor	Ms. Libby Jackson

ILLINOIS COMMERCE COMMISSION MEMBERS

Chairman & Commissioner (Confirmed) (02/26/25 – Present)	Mr. Doug Scott
Chairman & Commissioner (Acting) (06/17/23 – 02/25/25)	Mr. Doug Scott
Chairman & Commissioner (07/01/22 – 06/16/23)	Ms. Carrie Zalewski
Commissioner (Confirmed) (05/01/24 – Present)	Ms. Stacey Paradis
Commissioner (Acting) (04/03/23 – 04/30/24)	Ms. Stacey Paradis
Commissioner (07/08/22 – 04/02/23)	Vacant
Commissioner (07/01/22 – 07/07/22)	Ms. Maria Bocanegra
Commissioner (Confirmed) (05/01/24 – Present)	Mr. Conrad Reddick
Commissioner (Acting) (03/13/23 – 04/30/24)	Mr. Conrad Reddick
Commissioner (03/11/23 – 03/12/23)	Vacant
Commissioner (07/01/22 – 03/10/23)	Mr. D. Ethan Kimbrel
Commissioner (Confirmed) (03/09/23 – Present)	Ms. Ann McCabe
Commissioner (Acting) (07/01/22 – 03/08/23)	Ms. Ann McCabe

**STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION
WIRELESS CARRIER REIMBURSEMENT FUND
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2024**

ILLINOIS COMMERCE COMMISSION MEMBERS (Continued)

Commissioner (Acting) – Reappointed (02/10/25 – Present)	Mr. Michael Carrigan
Commissioner (Confirmed) (07/01/22 – 02/09/25)	Mr. Michael Carrigan

ILLINOIS COMMERCE COMMISSION OFFICES

The Commission’s administrative offices are located at:

Leland Building
527 East Capitol Avenue
Springfield, Illinois 62701

Michael A. Bilandic Building
160 North LaSalle Street
Suite C-800
Chicago, Illinois 60601

The Commission’s police station is located at:

Compliance Office
9511 West Harrison Street
Des Plaines, Illinois 60016



ILLINOIS STATE POLICE
Office of the Director

JB Pritzker
Governor

Brendan F. Kelly
Director

MANAGEMENT ASSERTION LETTER

May 23, 2025

Adelfia LLC
400 East Randolph Street, Suite 700
Chicago, Illinois 60601

Ladies and Gentlemen:

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 State of Illinois, Illinois State Police (Department). We are responsible for and we have established and maintained an effective system of internal controls over compliance requirements, for transactions within the Statewide 9-1-1 Fund (Fund 612) and the Wireless Carrier Reimbursement Fund (Fund 613). We have performed an evaluation of the Department's compliance with the following specified requirements during the two-year period ended June 30, 2024. Based on this evaluation, we assert that during the years ended June 30, 2023, and June 30, 2024, the Department has materially complied with the specified requirements listed below.

- A. The Department has obligated, expended, received, and used public funds of Fund 612 and Fund 613 in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law, including the Emergency Telephone Systems Act (ETSA).
- B. Other than what has been previously disclosed and reported in the Schedule of Findings, the Department has obligated, expended, received, and used public funds of Fund 612 and Fund 613 in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law, including ETSA, upon such obligation, expenditure, receipt, or use.
- C. Other than what has been previously disclosed and reported in the Schedule of Findings, the Department has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system and ETSA, in its financial and fiscal operations.

- D. Other than what has been previously disclosed and reported in the Schedule of Findings, revenues and receipts collected by the Department for Fund 612 and Fund 613 are in accordance with applicable laws and regulations, including ETSA, and the accounting and recordkeeping of such revenues and receipts is fair, accurate, and in accordance with law, including ETSA.
- E. Administrative costs charged to Fund 612 and Fund 613 are reasonable, documented, and in accordance with applicable laws and regulations, including ETSA.
- F. The Department has maintained up-to-date documentation on the status of the implementation of the 9-1-1 service and Next Generation 9-1-1 service across the State.

Yours truly,

State of Illinois, Illinois State Police

SIGNED ORIGINAL ON FILE

Brendan Kelly
Executive Director

SIGNED ORIGINAL ON FILE

Michelle Dankoski
Chief Fiscal Officer

SIGNED ORIGINAL ON FILE

Steffanie Garrett
Chief Legal Counsel



State of Illinois
Illinois Commerce Commission

Jonathan Feipel
Executive Director

527 East Capitol Avenue
Springfield, Illinois 62701

MANAGEMENT ASSERTION LETTER

May 23, 2025

Adelfia LLC
400 E. Randolph Street, Suite 700
Chicago, Illinois 60601

Ladies and Gentlemen:

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 State of Illinois, Illinois Commerce Commission (Commission). We are responsible for, and we have established and maintained an effective system of internal controls over compliance requirements for transactions within the Wireless Carrier Reimbursement Fund (Fund 613). We have performed an evaluation of the Commission's compliance with the following specified requirements during the two-year period ended June 30, 2024. Based on this evaluation, we assert that during the years ended June 30, 2023, and June 30, 2024, the Commission has materially complied with the specified requirements listed below.

- A. The Commission has obligated, expended, received, and used public funds of Fund 613 in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law, including the Emergency Telephone Systems Act (ETSA).
- B. The Commission has obligated, expended, received, and used public funds of Fund 613 in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law, including ETSA, upon such obligation, expenditure, receipt, or use.
- C. The Commission has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system and ETSA, in its financial and fiscal operations.
- D. Revenues and receipts collected by the Commission for Fund 613 are in accordance with applicable laws and regulations, including ETSA, and the accounting and recordkeeping of such revenues and receipts is fair, accurate, and in accordance with law, including ETSA.

E. Administrative costs charged to Fund 613 are reasonable, documented, and in accordance with applicable laws and regulations, including ETSA.

Yours truly,

State of Illinois, Illinois Commerce Commission

SIGNED ORIGINAL ON FILE

Jonathan Feipel
Executive Director

SIGNED ORIGINAL ON FILE

Megan Seitzinger
Chief Fiscal Officer

SIGNED ORIGINAL ON FILE

Natalia Delgado
General Counsel

**STATE OF ILLINOIS
ILLINOIS STATE POLICE
STATEWIDE 9-1-1 FUND AND WIRELESS CARRIER REIMBURSEMENT FUND
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2024**

STATE COMPLIANCE REPORT

SUMMARY

The limited scope compliance testing performed during this 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 Emergency Telephone System Act; the Illinois State Auditing Act (Act); and the *Audit Guide*.

ACCOUNTANT’S REPORT

The Independent Accountant’s Report on State Compliance and on Internal Control Over Compliance for the responsibilities of the Illinois State Police within the Statewide 9-1-1 Fund and the Wireless Carrier Reimbursement Fund does not contain scope limitations or disclaimers, but does contain a modified opinion on compliance and identifies material weaknesses in internal control over compliance.

SUMMARY OF FINDINGS

Number of	<u>Current Report</u>	<u>Prior Report</u>
Findings	3	2
Repeated Findings	2	1
Prior Recommendations Implemented or Not Repeated	0	1

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Last/First Reported</u>	<u>Description</u>	<u>Finding Type</u>
Current Findings				
2024-001	13	2022/2022	Voucher Processing Internal Controls Not Operating Effectively	Material Weakness and Material Noncompliance
2024-002	16	2022/2016	Inadequate Controls over Receipts and Reconciliations	Material Weakness and Material Noncompliance
2024-003	20	New	Noncompliance with the Emergency Telephone System Act	Material Weakness and Material Noncompliance

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ILLINOIS STATE POLICE
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LIMITED SCOPE COMPLIANCE EXAMINATION
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EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Department personnel at an exit conference on May 21, 2025.

Attending were:

Illinois State Police

Brendan F. Kelly, Director
Rebecca Hooks, First Deputy Director – Director’s Office
Todd Hartman, Chief of Staff – Director’s Office
Michelle M. Dankoski, Chief Fiscal Officer – Office of Finance
Jasmin Dixon, Executive Officer – Office of Finance
Steffanie Garrett, Chief Legal Counsel
Abby Sgro, Deputy Chief Legal Counsel
John Price, Deputy Director – Division of Criminal Investigations
Cher Clodfelter, Deputy Director – Division of 9-1-1
Christopher Campbell, Deputy Director – Division of Justice Services
Mike Gillock, Deputy Director – Division of Academy and Training
Kari Selinger, Human Resources Bureau Chief
Denise K. Caldwell, Chief Internal Auditor

Office of the Auditor General

Stephanie Wildhaber, Senior Audit Manager
Sara Metzger, Assistant Director

Adelfia LLC

Gilda Priebe, Partner
Anjo Guillermo, Manager
Lira Mendoza, Senior
Gionelle Ceniza, Senior IS Specialist

The responses to these recommendations were provided by Michelle M. Dankoski, Chief Fiscal Officer, in correspondences dated May 22, 2025 and May 23, 2025.



INDEPENDENT ACCOUNTANT'S REPORT
ON STATE COMPLIANCE AND ON INTERNAL CONTROL OVER COMPLIANCE

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on State Compliance

As Special Assistant Auditors for the Auditor General, we have examined compliance by the State of Illinois, Illinois State Police (Department) 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 for transactions within the Statewide 9-1-1 Fund (Fund 612) and the Wireless Carrier Reimbursement Fund (Fund 613) during the two years ended June 30, 2024. Management of the Department is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the Department's compliance with the specified requirements based on our examination.

The specified requirements are:

- A. The Department has obligated, expended, received, and used public funds of Fund 612 and Fund 613 in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law, including the Emergency Telephone System Act (ETSA).
- B. The Department has obligated, expended, received, and used public funds of Fund 612 and Fund 613 in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law, including ETSA, upon such obligation, expenditure, receipt, or use.
- C. The Department has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system and ETSA, in its financial and fiscal operations.
- D. State revenues and receipts collected by the Department for Fund 612 and Fund 613 are in accordance with applicable laws and regulations, including ETSA, and the accounting and recordkeeping of such revenues and receipts is fair, accurate, and in accordance with law, including ETSA.
- E. Administrative costs charged to Fund 612 and Fund 613 are reasonable, documented, and in accordance with applicable laws and regulations, including ETSA.

F. The Department has maintained up-to-date documentation on the status of the implementation of the 9-1-1 service and Next Generation 9-1-1 service across the State.

Our limited scope 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, ETSA, the Illinois State Auditing Act (Act), and the *Audit Guide*. Those standards, ETSA, the Act, and the *Audit Guide* require that we plan and perform the examination to obtain reasonable assurance about whether the Department complied with the specified requirements in all material respects. An examination involves performing procedures to obtain evidence about whether the Department 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

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

Our limited scope examination disclosed material noncompliance with the following specified requirements applicable to the Department during the two years ended June 30, 2024. As described in the accompanying Schedule of Findings as item 2024-001, the Department had not obligated, expended, received, and used public funds of Fund 612 in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law, including ETSA, upon such obligation, expenditure, receipt, or use. As described in the accompanying Schedule of Findings as items 2024-001 through 2024-003, the Department had not complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system and ETSA, in its financial and fiscal operations. As described in the accompanying Schedule of Findings as item 2024-002, the Department had not ensured the State revenues and receipts collected by the Department for Fund 612 were in accordance with applicable laws and regulations, including ETSA, and the accounting and recordkeeping of such revenues and receipts was fair, accurate, and in accordance with law, including ETSA.

In our opinion, except for the material noncompliance with the specified requirements described in the preceding paragraph, the Department complied with the specified requirements during the two years ended June 30, 2024, in all material respects.

The Department's responses to the compliance findings identified in our examination are described in the accompanying Schedule of Findings. The Department'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.

Report on Internal Control Over Compliance

Management of the Department 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 Department's internal control to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Department's compliance with the specified requirements and to test and report on the Department's internal control in accordance with the *Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Department'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 in internal control is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that material noncompliance with the specified requirements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control 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 2024-001 through 2024-003 that we consider to be material weaknesses.

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

The Department's responses to the internal control findings identified in our examination are described in the accompanying Schedule of Findings. The Department'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.

SIGNED ORIGINAL ON FILE

Chicago, Illinois
May 23, 2025

STATE OF ILLINOIS
ILLINOIS STATE POLICE
STATEWIDE 9-1-1 FUND AND WIRELESS CARRIER REIMBURSEMENT FUND
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2024

2024-001. **FINDING** (Voucher Processing Internal Controls Not Operating Effectively)

The Illinois State Police's (Department) internal controls over its voucher processing function were not operating effectively during the examination period.

Due to our ability to rely upon the processing integrity of the Enterprise Resource Planning System (ERP) operated by the Department of Innovation and Technology (DoIT), we were able to limit our voucher testing at the Department to determine whether certain key attributes were properly entered by the Department's staff into the ERP. In order to determine the operating effectiveness of the Department's internal controls related to voucher processing and subsequent payment of interest, we selected a sample of key attributes (attributes) to determine if the attributes were properly entered into the State's ERP System based on supporting documentation. The attributes tested were 1) vendor information, 2) expenditure amount, 3) object(s) of expenditure, and 4) the later of the receipt date of the proper bill or the receipt date of the goods and/or services.

Our testing noted three of 140 (2%) attributes were not properly entered into the ERP System. Therefore, the Department's internal controls over voucher processing **were not operating effectively**.

The Statewide Accounting Management System (SAMS) (Procedure 17.20.20) requires the Department to, after receipt of goods or services, verify the goods or services received met the stated specifications and prepare a voucher for submission to the Comptroller's Office to pay the vendor, including providing vendor information, the amount expended, and object(s) of expenditure. Further, the Illinois Administrative Code (Code) (74 Ill. Admin. Code 900.30) requires the Department maintain records which reflect the date goods were received and accepted, the date services were rendered, and the proper bill date. Finally, the Fiscal Control and Internal Auditing Act (FCIAA) (30 ILCS 10/3001) requires the Department establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance expenditures are properly recorded and accounted for to maintain accountability over the State's resources.

Due to this condition, we qualified our opinion because we determined the Department had not complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

Even given the limitations noted above, we conducted an analysis of the Department's expenditures data for Fiscal Years 2023 and 2024 and noted the Department did not timely approve 656 of 3,132 (21%) vouchers processed during the examination period, totaling \$8,797,108. We noted these vouchers were approved between 31 and 358 days after receipt of a proper bill or other obligating document.

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ILLINOIS STATE POLICE
STATEWIDE 9-1-1 FUND AND WIRELESS CARRIER REIMBURSEMENT FUND
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The Code (74 Ill. Admin. Code 900.70) requires the Department to timely review each vendor's invoice and approve proper bills within 30 days after receipt. The Code (74 Ill. Admin. Code 1000.50) also requires the Department to process payments within 30 days after physical receipt of Internal Service Fund bills.

The FCIAA (30 ILCS 10/3001) requires all State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls, which shall provide assurance that revenues, expenditures, and transfers of assets, resources, or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources.

Department management indicated the exceptions noted were due to oversight.

Failure to properly enter the key attributes into the State's ERP when processing a voucher for payment hinders the reliability and usefulness of data extracted from the ERP, which can result in improper interest calculations and expenditures. Further, failure to timely process proper bills and obligations due may result in noncompliance, unnecessary interest charges, and cash flow challenges for payees. (Finding Code No. 2024-001, 2022-002)

RECOMMENDATION

We recommend the Department design and maintain internal controls to provide assurance its data entry of key attributes into ERP is complete and accurate. Further, we recommend the Department timely approve proper bills and obligations due.

DEPARTMENT RESPONSE

The Department concurs with this finding. The internal controls over voucher processing were deemed ineffective based on testing which identified that 3 out of 140 (2%) key attributes were incorrectly entered into the ERP system. Although the error rate was relatively low, the finding highlights that controls in place during the examination period were not fully effective in preventing or detecting data entry errors.

Voucher data entry into the State's ERP system is performed by a wide range of individuals across multiple locations and work units within the Department. Due to the decentralized nature of this process, variations in procedures and invoice types across these units can result in inconsistencies and errors. To support accurate entry, the Department has developed job aids and conducted training sessions tailored to assist staff with common and unique invoice scenarios. Despite these efforts, manual data entry remains inherently susceptible to human error, particularly when practices vary and controls are inconsistently applied.

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ILLINOIS STATE POLICE
STATEWIDE 9-1-1 FUND AND WIRELESS CARRIER REIMBURSEMENT FUND
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2024**

To strengthen internal controls, the Department is conducting a detailed review of the audit's test samples to determine which control procedures failed to operate as intended. Based on that analysis, targeted retraining will be scheduled, and job aids will be revised to address observed gaps. Additionally, the Department is exploring the development of a new ERP report utilizing HANA technology to allow invoice attributes to be reviewed prior to submission to the Office of Finance. This review step is intended to serve as a secondary control to identify and correct errors before payment processing.

The Department also requested and received supplemental information from the auditors to better understand the audit's procedures and data sources. This information will be used to inform the Department's corrective action plan and to guide process improvements aimed at reducing delays and enhancing overall data accuracy.

STATE OF ILLINOIS
ILLINOIS STATE POLICE
STATEWIDE 9-1-1 FUND AND WIRELESS CARRIER REIMBURSEMENT FUND
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2024

2024-002. **FINDING** (Inadequate Controls over Receipts and Reconciliations)

The Illinois State Police's (Department) internal controls over its receipt processing function were not operating effectively during the examination period.

Due to our ability to rely upon the processing integrity of the Enterprise Resource Planning System (ERP) operated by the Department of Innovation and Technology (DoIT), we were able to limit our receipt testing at the Department to determine whether certain key attributes were properly entered by the Department's staff into the ERP. In order to determine the operating effectiveness of the Department's internal controls related to receipt processing, we selected a sample of key attributes (attributes) to determine if the attributes were properly entered into the ERP System based on supporting documentation. The attributes tested were (1) amount, (2) fund being deposited into, (3) date of receipt, (4) date deposited, and (5) SAMS Source Code.

Our testing noted 11 of 140 (8%) attributes were not properly entered into the ERP System. Therefore, the Department's internal controls over receipt processing **were not operating effectively.**

The State Officers and Employees Money Disposition Act (Act) (30 ILCS 230/2(a)) requires the Department to maintain a detailed record of all moneys received, which is to include date of receipt, the payor, purpose and amount, and the date and manner of disbursement. Further, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Department to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance revenues, expenditures, and transfers of assets, resources, or funds applicable to the operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources.

Due to this condition, we qualified our opinion because we determined the Department had not complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

Even given the limitations noted above, we conducted an analysis of the Department's receipts data for Fiscal Years 2023 and 2024 to determine compliance with the Act. We noted:

- The Department's receipts data did not document the date on which the payment was received for 186 of 11,545 (2%) receipts, totaling \$61,394. As such, we were unable to determine if the Department deposited the receipts timely.

STATE OF ILLINOIS
ILLINOIS STATE POLICE
STATEWIDE 9-1-1 FUND AND WIRELESS CARRIER REIMBURSEMENT FUND
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2024

The Act (30 ILCS 230/2(a)) requires the Department to maintain a detailed record of all moneys received, which is to include date of receipt, the payor, purpose and amount, and the date and manner of disbursement.

- The Department did not timely deposit two of 11,545 (1%) receipt items during the examination period, totaling \$71,777. The receipts were deposited 6 days late.

The Act (30 ILCS 230/2(a)) requires the Department to pay into the State treasury any single item of receipt exceeding \$10,000 on the day received, receipt items totaling \$10,000 or more are to be deposited within 24 hours, receipt items in total exceeding \$500 but less than \$10,000 are to be deposited within 48 hours, and receipt items totaling less than \$500 are to be deposited once the total exceeds \$500 or on the 1st or 15th of the month, whichever is earlier. In addition, Section 2(b) of the Act provides for the establishment of different time periods for the payment of public funds into the State treasury or to the State Treasurer, in excess of the periods established in Section 2(a) by rules or regulations promulgated jointly by the State Treasurer and the State Comptroller in accordance with the Illinois Administrative Procedure Act. Consequently, the Code (74 Ill. Admin. Code 700.20) provides any state agency subject to the provisions of Section 2(a) of the Act may request an extension of the deposit period for the payment of funds into the State treasury or to the State Treasurer. During the examination period, the Department was granted by the State Comptroller and State Treasurer a 15-day deposit period for payments into the Statewide 9-1-1 Fund.

During testing of the Department's reconciliation between the Office of Comptroller's *Monthly Revenue Status Report* (SB04) and the Department's ERP records as of June 30, 2023, we noted an irreconcilable difference of \$271,532.

Consequently, during testing of 28 receipts transactions, we noted the Department did not maintain proper segregation of custody and recordkeeping duties over receipt collection and processing for four (14%) receipt transactions. One employee was responsible for preparing a log of receipts received, recording in the receipts ledger, and depositing funds into the State Treasury.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use, and misappropriation and revenues are properly recorded and accounted for to permit the preparation of reliable financial and statistical reports and to maintain accountability over the State's resources. The State Records Act (5 ILCS 160/9(1)) requires agencies to provide for effective controls over the creation, maintenance, and use of records in

**STATE OF ILLINOIS
ILLINOIS STATE POLICE
STATEWIDE 9-1-1 FUND AND WIRELESS CARRIER REIMBURSEMENT FUND
SCHEDULE OF FINDINGS – CURRENT FINDINGS
For the Two Years Ended June 30, 2024**

the conduct of current business. Further, the Statewide Accounting Management System (SAMS) (Procedure 25.40.20) requires the Department to perform a monthly reconciliation of each receipt account balance of the SB04 and notify the Comptroller of any irreconcilable differences within 60 days of month end.

This finding was first noted during the examination of the two years ended June 30, 2016, and Department officials took steps to implement corrective actions, however, exceptions still persist. In addition, the Department's management team is responsible for implementing timely corrective action on all of the findings identified during a State compliance examination.

During the prior examination, Department management indicated the exceptions were due to staffing shortages. During the current examination, Department management indicated the exceptions noted were due to staffing shortages and oversight.

Failure to properly enter the key attributes into the State's ERP when processing a receipt hinders the reliability and usefulness of data extracted from the ERP, which can result in improper recording of revenues and accounts receivable. Failure to timely deposit receipts represents noncompliance with the Act and the Code. Failure to timely reconcile monthly appropriations, cash receipts, and cash balances in accordance with SAMS could lead to unresolved differences between the Department and Comptroller records, inaccurate financial reporting, and undetected loss or theft. Finally, failure to maintain proper segregation of duties may result in theft or misappropriation of assets, which may not be prevented or detected. (Finding Code No. 2024-002, 2022-001, 2020-001, 2018-001, 2016-001)

RECOMMENDATION

We recommend the Department design and maintain internal controls to provide assurance its data entry of key attributes into ERP is complete and accurate, employee duties are properly segregated, and required monthly reconciliations are properly and timely performed. Further, we recommend the Department timely deposit receipts into the State's treasury.

DEPARTMENT RESPONSE

The Department concurs with the finding and acknowledges that internal controls over receipts processing, reconciliations, and segregation of duties were not operating effectively during the examination period. As noted in the finding, these deficiencies were primarily due to staffing shortages and oversight, which impacted the consistency of data entry, timeliness of deposits, and ability to fully segregate duties.

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The Department continues to take corrective actions to improve internal controls, including increasing training on ERP data entry procedures, refining deposit tracking, and improving documentation of receipt dates to support timely compliance with statutory requirements. While we note that only two late deposits were identified among more than 11,000 receipts reviewed, we recognize the importance of timely deposits for all items, regardless of volume.

In relation to the irreconcilable difference noted in the June 30, 2023 revenue reconciliation, the Department is working with the Office of the Comptroller to identify and address outstanding variances. We have also begun enhancing our monthly reconciliation processes and documentation practices to ensure timely follow-up and resolution in accordance with SAMS requirements.

The Department further acknowledges the concern regarding segregation of duties for a limited number of transactions. Where resource constraints have necessitated shared responsibilities, we are assessing process redesigns and implementing additional review and oversight procedures to mitigate associated risks.

We remain committed to strengthening fiscal controls and ensuring ongoing compliance with applicable laws, regulations, and accounting standards.

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ILLINOIS STATE POLICE
STATEWIDE 9-1-1 FUND AND WIRELESS CARRIER REIMBURSEMENT FUND
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2024-003. **FINDING** (Noncompliance with the Emergency Telephone System Act)

The Illinois State Police (Department) did not comply with the requirements of the Emergency Telephone System Act (ETSA).

During testing, we noted the Department had not yet adopted rules requiring every 9-1-1 system to be able to accept text-to-9-1-1 as required by ETSA.

In addition, we noted the following status of Public Safety Answering Points (PSAPs) as of July 1, 2024:

- Sixty-six of 179 PSAPs (37%) were not yet text-ready.
- Forty-two of 113 (37%) text-ready PSAPs had their text-ready system implementation 7 to 142 days late.

ETSA (50 ILCS 750/6.2) requires every 9-1-1 system to be able to accept text-to-9-1-1 no later than July 1, 2024, and requires the Department to adopt rules for the implementation of this Section.

Department management indicated the Division of 9-1-1 is currently updating the existing 6 administrative rules (Parts 1324 to 1329) which are related to ETSA and the revisions are extensive, hence taking time to be completed. Department management added such update in the process includes the administrative rule for 9-1-1 systems to accept text messages.

Failure to adopt required policies could result in delay or improper handling of calls for PSAPs and represents noncompliance with ETSA. (Finding Code No. 2024-003)

RECOMMENDATION

We recommend the Department adopt rules and design controls to ensure PSAPs comply with the requirements of ETSA.

DEPARTMENT RESPONSE

The Department concurs with the finding and with the auditor's recommendation to adopt rules and design controls to ensure PSAPs comply with the requirements of ETSA [50 ILCS 750].

This finding specifically relates to the implementation of text-to-9-1-1 services as mandated by ETSA. The Department acknowledges the technical complexities associated with this requirement and notes that it relies heavily on external vendors to support PSAPs in achieving operational readiness for text-to-9-1-1. Despite

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regular oversight through daily and weekly check-ins, the vendors were unable to meet the Department’s original deployment timeline.

The Department has been actively engaged in revising and consolidating the Administrative Rules under Title 83: Public Utilities, which govern the implementation of ETSA. However, the Department is unable to submit these rules to the Joint Committee on Administrative Rules (JCAR) until the proposed amendments to ETSA, particularly those contained in House Bill 1866, are enacted into law. These amendments include a revised implementation deadline for text-to-9-1-1, extending it to December 31, 2025.

The Department’s draft rules already incorporate the necessary updates related to text-to-9-1-1 implementation. Upon the enactment of the pending legislation, the Department will finalize and submit the updated rules to JCAR in accordance with the rulemaking process.

**STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION
WIRELESS CARRIER REIMBURSEMENT FUND
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2024**

STATE COMPLIANCE REPORT

SUMMARY

The limited scope compliance testing performed during this 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 Emergency Telephone System Act (ETSA); the Illinois State Auditing Act (Act); and the *Audit Guide*.

ACCOUNTANT’S REPORT

The Independent Accountant’s Report on State Compliance and on Internal Control Over Compliance for the responsibilities of the Illinois Commerce Commission within the Wireless Carrier Reimbursement Fund (Fund 613) does not contain scope limitations or disclaimers, or other significant non-standard language.

Public Act 103-0366 was enacted on July 28, 2023 which repealed Section 45 of ETSA which created Fund 613 and Section 50 of ETSA which required the Office of the Auditor General to perform audit of Fund 613. Consequently, Fund 613 was dissolved and did not have expenditures and receipts transactions during the examination period.

SUMMARY OF FINDINGS

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

EXIT CONFERENCE

The State of Illinois, Illinois Commerce Commission waived an exit conference in a correspondence from Libby Jackson, Chief Internal Auditor, on May 13, 2025.



INDEPENDENT ACCOUNTANT'S REPORT
ON STATE COMPLIANCE AND ON INTERNAL CONTROL OVER COMPLIANCE

Honorable Frank J. Mautino
Auditor General
State of Illinois

and

Governing Board
State of Illinois, Illinois Commerce Commission

Report on State Compliance

As Special Assistant Auditors for the Auditor General, we have examined compliance by the State of Illinois, Illinois Commerce 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 for transactions within the Wireless Carrier Reimbursement Fund (Fund 613) during the two years ended June 30, 2024. 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 of Fund 613 in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law, including the Emergency Telephone System Act (ETSA).
- B. The Commission has obligated, expended, received, and used public funds of Fund 613 in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law, including ETSA, upon such obligation, expenditure, receipt, or use.
- C. The Commission has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system and ETSA, in its financial and fiscal operations.
- D. Revenues and receipts collected by the Commission for Fund 613 are in accordance with applicable laws and regulations, including ETSA, and the accounting and recordkeeping of such revenues and receipts is fair, accurate, and in accordance with law, including ETSA.

- E. Administrative costs charged to Fund 613 are reasonable, documented, and in accordance with applicable laws and regulations, including ETSA.

Our limited scope 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, ETSA, the Illinois State Auditing Act (Act), and the *Audit Guide*. Those standards, ETSA, the 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 opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

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

In our opinion, the Commission complied with the specified requirements during the two years ended June 30, 2024, in all material respects.

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.

Report on 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 in internal control is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that material noncompliance with the specified requirements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control 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. Given these limitations, during our examination we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

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

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.

SIGNED ORIGINAL ON FILE

Chicago, Illinois
May 23, 2025