



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

William G. Holland, Auditor General

**SUMMARY REPORT DIGEST**

**METRO EAST POLICE DISTRICT COMMISSION**

**Compliance Examination  
 For the Two Years Ended December 31, 2014**

**Release Date: September 30, 2015**

FINDINGS THIS AUDIT: 2				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
<b>Category 1:</b>	<b>2</b>	<b>*</b>	<b>2</b>	* Effective January 1, 2013, the Metro East Police District Commission was established by the Metro East Police District Act. As such, comparative data for periods prior to January 1, 2013, is not available.			
<b>Category 2:</b>	<b>0</b>	<b>*</b>	<b>0</b>				
<b>Category 3:</b>	<b>0</b>	<b>*</b>	<b>0</b>				
<b>TOTAL</b>	<b>2</b>	<b>*</b>	<b>2</b>				
<b>FINDINGS LAST AUDIT: *</b>							

**INTRODUCTION**

The Metro East Police District Commission (Commission) began on January 1, 2013, when the General Assembly created the Metro East Police District (District) as a special district and unit of local government. The District is located within St. Clair County and includes the City of East St. Louis, the Village of Washington Park, the Village of Alorton, and the Village of Brooklyn. The Commission was created to advance the cause of public safety and law enforcement for the residents of the District.

**SYNOPSIS**

- **(14-1)** The Commission did not assume administrative functions for external law enforcement grants and assistance within the District.
- **(14-2)** The Commission lacked adequate control over its finances.

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

{Financial information is summarized on next page.}

**METRO EAST POLICE DISTRICT COMMISSION  
COMPLIANCE EXAMINATION  
For the Two Years Ended December 31, 2014**

<b>SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND FUND BALANCE</b>	<b>2014</b>	<b>2013</b>
<b>Receipts</b>		
Felony Forfeitures.....	\$ -	\$ 54,312
Fines.....	2,027	1,173
Total Receipts.....	<u>2,027</u>	<u>55,485</u>
<b>Disbursements</b>		
Contractual Services.....	10,800	9,549
Reimbursements to the Illinois Finance Authority.....	<u>1,679</u>	-
Total Disbursements.....	<u>12,479</u>	<u>9,549</u>
<b>Cash, January 1,</b> .....	<u>45,936</u>	-
<b>Cash, December 31,</b> .....	<u><u>\$ 35,484</u></u>	<u><u>\$ 45,936</u></u>

<b>CHAIR</b>
During Examination Period: Mr. Calvin Dye, Sr. Currently: Mr. Calvin Dye, Sr.

Note: Effective January 1, 2013, the Metro East Police District Commission was established by the Metro East Police District Act. As such, comparative data for periods prior to January 1, 2013, is not available.

**FINDINGS, CONCLUSIONS, AND  
RECOMMENDATIONS**

**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).

**Commission did not assume grant authority from the local police departments**

During testing, the auditors 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. (Finding 1, pages 11-12)

**Grant processes and procedures not developed**

We recommended 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, or seek a legislative remedy.

**Commission agree with the auditors**

Commission officials concurred with our recommendation.

**NEED TO IMPROVE INTERNAL CONTROLS OVER  
THE COMMISSION'S FINANCES**

The Commission lacked adequate control over its finances.

During testing, some of the more significant internal control deficiencies noted by the auditors included the following:

**Commission lacked financial books and records**

- The Commission does not maintain books and records of its financial activity. For example, the Commission does not have a cash disbursement journal, cash receipts journal, or a complete check register for its account held at a bank (distribution account).
- Four of seven (57%) disbursements tested, totaling \$2,280, did not have the date the invoice was received by the Commission.
- Seven of seven (100%) disbursements tested, totaling \$22,028, were not paid within the timeframes required by the Local Government Prompt Payment Act. As such, the Commission did not pay \$512 in accrued interest due to its vendors.

**Invoices not timely paid**

**Failure to pay required interest**

**Bank reconciliations not performed**

- The Commission did not perform bank reconciliations of its distribution account during Calendar Year 2013 or Calendar Year 2014. As such, the Commission did not identify a wire transfer fee of \$10 that should have been reversed from its account. This amount had not been reversed as of the conclusion of fieldwork.
- The Commission has not developed an allowance for doubtful accounts for reporting its net outstanding accounts receivable. (Finding 2, pages 13-16)

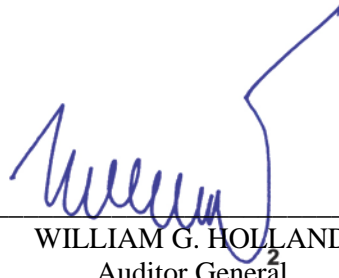
We recommended the Commission establish and maintain books and records for its financial activity, timely pay vendor invoices in accordance with the provisions of the Local Government Prompt Payment Act, and develop a fair and reasonable allowance for doubtful accounts.

**Commission agree with the auditors**

Commission officials concurred with our recommendation.

**ACCOUNTANT’S OPINION**

The accountants conducted a compliance examination of the Commission for the two years ended December 31, 2014, as required by the Illinois State Auditing Act and the Metro East Police District Act. The accountant’s report does not contain any scope limitations or disclaimers, but does contain a qualified opinion on compliance and material weaknesses over internal control.



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WILLIAM G. HOLLAND  
Auditor General

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**AUDITORS ASSIGNED**

This examination was performed by the Office of the Auditor General’s staff.