STATE OF ILLINOIS

OFFICE OF THE AUDITOR GENERAL

William G. Holland, Auditor General

SUMMARY REPORT DIGEST

ILLINOIS COMMERCE COMMISSION

LIMITED SCOPE COMPLIANCE EXAMINATION -WIRELESS EMERGENCY TELEPHONE SAFETY ACT For the One Year Ended: June 30, 2012

Release Date: June 19, 2013

Summary of Findings:

Total this audit: 1 **Total last audit:** 0 **Repeated from last audit:** 0

INTRODUCTION

We conducted a limited scope compliance examination of the Illinois Commerce Commission's compliance with the Wireless Emergency Telephone Safety Act (Act) (50 ILCS 751/1 et seq.). The Commission's activities conducted under the Act are recorded in two funds. The Wireless Service Emergency (612) Fund is used for grants to emergency telephone system boards, qualified government entities, or Department of State Police for Wireless 9-1-1 or E9-1-1. The Wireless Carrier Reimbursement (613) Fund is used for the reimbursement of wireless carriers and administrative costs. During Fiscal Year 2012, the 613 Fund was also used for a transfer of excess funds to the Commission's Public Utility Fund.

SYNOPSIS

The Commission did not timely detect and correct a receipt recording error or ensure accurate annual reporting of receipts.

{Expenditures and Activity Measures are summarized on the reverse page.}

ILLINOIS COMMERCE COMMISSION LIMITED SCOPE COMPLIANCE EXAMINATION WIRELESS EMERGENCY TELEPHONE SAFETY ACT

For the One Year Ended June 30, 2012

EXPENDITURE STATISTICS	2012	2011
Total Expenditures - Funds 612 and 613	\$ 66,507,718	\$ 62,149,945
AWARDS AND GRANTS% of Total Expenditures	\$ 63,599,718 95.6%	\$ 62,149,945 100.0%
TRANSFER TO PUBLIC UTILITY FUND	\$ 2,908,000 4.4%	\$ 0 0.0%
Total Receipts	\$ 68,856,000	\$ 71,170,000

SELECTED ACTIVITY MEASURES	2012	2011
Status of Implementation of Wireless 9-1-1 and E9-1-1 Systems:		
PHASE 0 - No information is received with the wireless call PHASE 1 - The telephone number of the caller and the location of	1	1
cell site or base station is received with the wireless call	14	15
PHASE 2 - The telephone number of the caller and the location of all 9-1-1 calls by longitute and latitude		
is received with the wireless call	158	158
COMBINATION OF PHASES - Wireless telephone carriers within the system are in different states of implementation	7	5
NOT REPORTED	4	5
TOTAL Wireless 9-1-1 / E9-1-1 System	184	184

AGENCY DIRECTOR

During Examination Period: Mr. Tim Anderson (until 1/30/12);

Mr. Randy Nehrt (Interim) (1/31/12 through 7/18/12)

Currently: Mr. Jonathan Feipel

FINDING, CONCLUSION, AND RECOMMENDATION

UNTIMELY DETECTION AND CORRECTION OF RECEIPT RECORDING ERROR

The Illinois Commerce Commission (Commission) did not timely detect and correct a receipt recording error or ensure accurate annual reporting of receipts.

Untimely reconciliation and detection of receipt recorded in wrong fund

Commission staff did not timely detect \$473,722 recorded in the wrong fund due to Comptroller error. This error was not identified and corrected by Commission staff until approximately 3 months after the error occurred.

Annual report misstated receipts by \$473,722

As a result, the Commission's annual accounting of receipts filed with the Office of the Auditor General misstated Fiscal Year 2012 receipts in two funds.

We recommended the Commission ensure reconciliations of monthly revenue status reports are performed timely and the Comptroller is notified of any errors detected within 30 days. We also recommended the Commission ensure the annual accounting of receipts and disbursements is accurately reported.

Commission agrees with recommendation

Commission management agreed with our recommendation and stated reconciliations will be completed before preparing the annual accounting. Management also noted the error had no impact on distributions.

AUDITORS' OPINION

We conducted a limited scope compliance examination of the Illinois Commerce Commission's Wireless Service Emergency Fund and Wireless Carrier Reimbursement Fund as required by the Wireless Emergency Telephone Safety Act. Examination results for the entire Commission will be presented in the Commission's compliance examination report for the two years ended June 30, 2013. The Commission has no funds that require an audit leading to an opinion on financial statements.

WILLIAM G. HOLLAND
Auditor General

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AUDITORS ASSIGNED

This examination was conducted by the staff of the Office of the Auditor General.