

National State Auditors Association

July 16, 1996

Mr. William G. Holland
Auditor General
Iles Park Plaza
740 East Ash
Springfield, Illinois 62703

Dear Mr. Holland:

We have reviewed the State of Illinois Office of Auditor General's (Office's) system of quality control. The purpose of our review was to obtain reasonable assurance of the Office's compliance with government auditing standards. This review included financial and financial related audit engagements conducted for the year(s) ended June 30, 1995, with reports issued on or before April 30, 1996, (May 31, 1996, for university and higher education reports) and performance audit engagements conducted and released between July 1, 1995, and June 30, 1996. We conducted our review in accordance with the policies and procedures for external quality control reviews established by the National State Auditors Association (NSAA). Our review included tests of selected audit engagements for compliance with the Office's quality control policies and procedures as deemed necessary in the circumstances.

In performing our review, we considered the general characteristics of a system of quality control as described in the external quality control review guidelines issued by NSAA. Such a system should be appropriately comprehensive and suitably designed in relation to the Office's organizational structure, its policies, and the nature of its functions. Because individual performance can vary in any state audit organization, adherence to all policies and procedures may not be possible in every case. However, adherence to prescribed policies and procedures is expected in most situations.

In our opinion, the Office's system of quality control for financial and financial related audit engagements conducted for the year(s) ended June 30, 1995, with reports issued on or before April 30, 1996, (May 31, 1996 for university and higher education reports) and performance audit engagements conducted and released between July 1, 1995, and June 30, 1996, were operating effectively and provided reasonable assurance of compliance with generally accepted government auditing standards.



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