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May 1, 2007

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

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AUDITOR GENERAL
SPRINGFIELD

Dear Auditor General Holland:

An evaluation of the internal fiscal and administrative controls of the Department of Central Management Services was completed for the report due on May 1, 2007, as required by the Fiscal Control and Internal Auditing Act.

The objectives of the system of the internal fiscal and administrative controls of the Department of Central Management Services are to provide reasonable assurance that:

1. Resources are utilized efficiently, effectively and in compliance with applicable law;
2. Obligations and costs are in compliance with applicable law;
3. Funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use and misappropriation;
4. Revenues, expenditures and transfer 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; and
5. Funds held outside the State Treasury are managed, used, and obtained in strict accordance with the terms of their enabling authorities and that no unauthorized funds exist.

The concept of reasonable assurance recognizes that the cost of inherent control should not exceed the benefits expected to be derived there from, and that the benefits consist of reductions in the risks of failing to achieve the stated objectives. Estimates and judgments are required to assess the expected

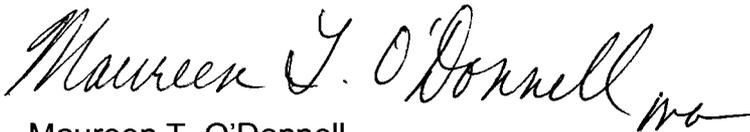
benefits and related costs of control procedures. Furthermore, errors or irregularities may occur and not be detected because of inherent limitations in any system of internal accounting and administrative control, including those limitations resulting from resources constraints, legislative restrictions, and other factors.

Finally, projection of any evaluation of the system to future periods is subject to the risk that procedures may be inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate. Nonetheless, we have taken the necessary measures to assure that the evaluation, identified in the first paragraph, have been conducted in a thorough and conscientious manner.

Likewise, the follow-up procedures used to verify that corrective actions have been taken to remedy previously reported weak operation procedures have been conducted in a thorough and conscientious manner.

The systems of internal fiscal and administrative controls of the Department of Central Management Services are adequate based on our understanding of the Act. In the implementation of our initiatives, the Department of Central Management Services works towards improving upon and continually ensuring that an adequate system of internal controls exists.

Sincerely,

A handwritten signature in cursive script that reads "Maureen T. O'Donnell" followed by a stylized flourish.

Maureen T. O'Donnell
Acting Director