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Southern Illinois University Edwardsville Alumni Association, PO Box 1031, Edwardsville, IL 62026-1031, (618) 650-2760

May 11, 2007

The Honorable William G. Holland  
Auditor General  
Iles Park Plaza  
704 East Ash Street  
Springfield, IL 62703-315

Dear Mr. Holland,

The internal fiscal and administrative controls of the SIUE Alumni Association were evaluated in accordance with the guidelines established by the Comptroller in consultation with the Director of Central Management Services.

The objectives of the internal fiscal and administrative control systems 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 misappropriations
4. Revenues, expenditures, transfers of assets and resources of funds applicable to operations 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; 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 internal 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 legislature 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 and that the degree of compliance with the procedures may deteriorate. Nonetheless, I have taken measures to assure that the evaluation identified in the first paragraph has been conducted in a thorough and conscientious manner.

The systems of internal fiscal and administrative controls of the SIUE Foundation comply with this act.

Respectfully,

A handwritten signature in black ink, appearing to read "Rich Hampton". The signature is stylized with a large initial "R" and a long horizontal stroke.

Rich Hampton  
Director of Financial Affairs  
SIUE Foundation & SIUE Alumni Association